

Table with exchange rates for various countries including Australia, Canada, Hong Kong, etc.



# The Guardian INTERNATIONAL

Printed in London, Manchester, Frankfurt and Roubaix

NEWSPAPER OF THE YEAR 46,726

## Major's disastrous day

# 'Shabby and mean-minded'

## Huge Tory revolt over pensions cut

Steven Mitchell and David Brindle

John Major faced a huge revolt by Tory backbenchers last night over his handling of plans for 550 million cuts in war pensions, branded "shabby and mean-minded" in a wounding Commons attack by the Labour leader, Tony Blair.

Conservatives and Ulster Unionists are threatening to join forces to make the Government back down on the plans, disclosed yesterday by the Guardian after they were disguised in the Budget as simplification of procedures.

In the noisiest and most bitter exchanges in the Commons since the summer, Mr Major came off a poor second to Mr Blair in a series of exchanges on exposure of the real plans and the acknowledged £1 million "sweeteners" added to appease ex-service groups.

Mr Major said the most contentious issue, the proposed block on any future claims for an increase in war pensions for hearing loss, affecting 10,000 war veterans a year, was forced on the Government by independent medical advice.

This was echoed in a letter sent to Tory MPs last night by Lord Mackay of Arbroath, the Social Security Minister, in an attempt to stem a rising tide of backbench anger. Although it had been thought that veterans could suffer war-related hearing loss long after leaving the services, he said, "recent medical advice has found that link does not exist".

Earlier, Lord Mackay had said on BBC radio that this advice appeared unanimous and had emerged not from a special government study, but from "a long process of investigation and books being published and texts in medical journals and so on".

He maintained: "I asked if there were any medicals who have a counter view and I was told there were none."

Several leading medical experts voiced surprise at this assertion. Jonathan Hasall, head of the medical research unit at the Royal National Institute for Deaf People, said there was clear evidence to the contrary.

The Prime Minister confirmed the changes, but insisted that no existing pensioner would be affected. He accused the Guardian of being misleading and simplistic.

Tory backbenchers were almost unanimous last night in expressing dismay that a Tory government should attempt to squeeze war pensioners. Some privately criticised Mr Major's performance in the Commons. One accused



him of bluster, another said he appeared badly briefed.

Although the proposed cuts could be enacted through regulations, officials have advised ministers that the most contentious one, on deafness pensions, would need legislation to be "watertight".

The Ulster Unionist leader, David Trimble, said: "We are very anxious to ensure that war pensioners are treated properly. We are gravely disturbed by what we have heard."

Winston Churchill, Tory MP for Daveyham, called for the resignation of William Waldegrave, Chief Secretary to the Treasury, who appears to have forced through the cut on deafness pensions against the opposition of all social security ministers.

Ridiculing ministers' attempts to attribute the cut to medical opinion, Mr Churchill said: "I have never heard such nonsense in my life. Any grown-up government takes responsibility for their own actions and doesn't try to go and hide behind professional advice."

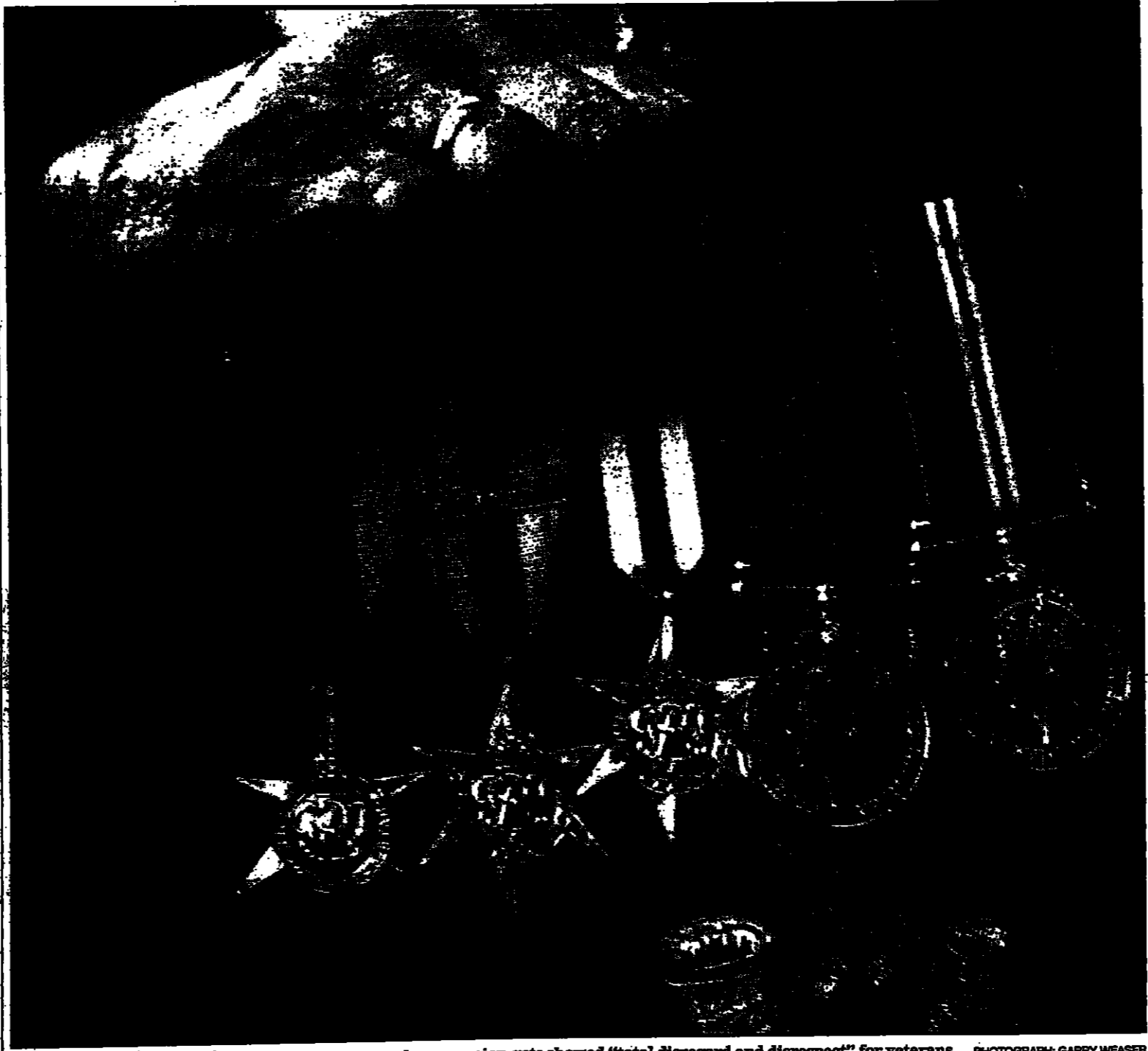
Downing Street later claimed Mr Churchill's views had changed after being briefed by officials and speaking to Mr Waldegrave.

Mr Major set out for Mr Major a series of specific questions about the Guardian's disclosures and defied him to answer them. The Prime Minister declined.

Leading Liberal Democrat Alan Beith asked Mr Major: "Since it is only a few weeks since we saw disabled war pensioners determined to march, limp or be pushed in wheelchairs past the Cenotaph, surely you haven't forgotten them now?"

Ex-service groups were holding their fire after talking to Lord Mackay at the Central Advisory Committee meeting yesterday. Other groups were outspoken, however. The charity Help the Aged said the cuts showed "total disregard and disrespect" for war veterans.

Skolick, page 2; Letters, page 5; Is this what he died for?, page 9



Let's they forget... Help the Aged said the proposed war pension cuts showed "total disregard and disrespect" for veterans PHOTOGRAPH GARRY WEASER

## Clarke scuppers euro plot

### Splits on single currency widen

Michael White Political Editor

CABINET unity over Europe was again in shreds last night after the Chancellor, Kenneth Clarke, virtually accused the Conservative Party chairman, Brian Mawhinney, of organising a plot to bounce John Major into reneging on their compromise over the European single currency.

Uproar at last night's weekly meeting of the backbench 1922 Committee saw Tory rightwingers asking "Who's in charge of the Government - Clarke or Major?" while loyalists desperately tried to get their colleagues to stop rocking the boat.

A week before the EU's Dublin summit, the timing is grim. Publication of draft EU treaty provisions - first reported in the Guardian - governing sensitive issues such as border controls and

economic policy will raise rightwing pressure in next week's two-day Commons debate.

Scarcely 48 hours after Mr Major thought he had pushed the Tory Euro-giants back into its bottle, the Chancellor was forced to issue a statement denying that he had threatened to resign if the party's election manifesto rules out a single currency in the 1997-2002 parliament.

Conservative HQ later joined Mr Clarke in a comprehensive, if unconvincing, denial of media "mischief-making". But the Chancellor initially failed to disown reported remarks to friends at Westminster that he had accused Dr Mawhinney's staff of briefing against him.

He is reputed to have told

Dr Mawhinney: "Tell your kids to get their scooters off my lawn," a dismissive invocation of Harold Wilson's "banks-of-Fury-lawn" warning to a union leader in the 1960s.

Without directly accusing Mr Major of being responsible for a leak to Monday's Daily Telegraph, the Chancellor was reported by the BBC as saying "it was a boomerang laden with high explosives which has blown up in the Prime Minister's face, damaging him badly" - a convincingly Clarke-like metaphor that also went unheeded.

With Labour gleefully stirring the row, few Tory MPs doubted that Mr Major's authority has been weakened. One ex-minister called it "his turn to page 2, column 8

## Skipper has screw loose as wheels come off England cricketers' wagon yet again

David Hopps in Marlow

AFTER England's cricket team had contrived to lose to Mashonaland yesterday, a rumour that Michael Atherton might have a screw loose came as no surprise. Anyone prepared to captain a team so skilled at self-humiliation is bound to have his sanity brought into question.

It turned out that the screw was not in Atherton's head but in his back, the result of an operation earlier in his career that has left him in persistent discomfort. While he underwent an X-ray in a Harrow hospital, at least he was spared some of the more gruesome aspects of England's eight-wicket defeat. Atherton's repeated insistence that he was fine owed

everything to his refusal to make excuses and nothing to logic. He has been in considerable pain, a virus having reduced the effectiveness of the painkillers he takes regularly. No one could carry England's batting for so long without buckling under the strain.

Mashonaland, who won England's opening four-day match of the tour with a day to spare, fielded five of Zimbabwe's nine full-time professionals and received the princely sum of £4150 (about \$9), plus as many bottles of Castle Lager as they could drink, for inflicting England's latest embarrassment. Zimbabwe plan to extend the trend in a two-Test series this month.

Among England's tormentors with the ball was the rookie Sussex fast bowler James Kirtley, who had been thrilled just to bowl at England in the nets. Last Sunday, England collapsed to defeat against a President's XI after running foul of an old adversary - Eddo Brandes, a slimmed-down chicken farmer who has not played much of late because his birds have flu. Atherton's flock looks equally sickly.

Five of the worst... List of sports events and results.

Navigation bar with sections: Britain, World News, Finance, Sport, and a barcode at the bottom.

Blair: You say the changes are just simplification. Explain... abandoning widows' rent allowance for new cases... not issuing reminders to return claim forms... the instruction 'do not direct appellant to Royal British Legion as their representative.' Is that correct, or not?

Major: You have completely misunderstood what's happened. You have got it wrong and I hope you won't pursue it.

Blair: If you can't answer those specific points you will stand condemned out of your own mouth... They (ministers) know they are doing something shabby and mean-minded. If you can't be trusted with British war pensioners, then why should you be trusted at all?

Major: As is typical, you quote out of context, wrongly, and draw the wrong conclusions as a result.

Canon advertisement for Santa's fax machine, including contact number 163481418 and the Canon logo.

Sketch

O level playing field trips up PM



Simon Hoggart

JOHN MAJOR was thoroughly skewered yesterday, turning gently by then like a salmon...

Teachers accuse Shephard of trying to turn back clock with new guidelines favouring the three Rs

Tougher exams ordered

Donald MacLeod Education Correspondent

GILLIAN Shephard, the Education and Employment Secretary, yesterday ordered measures to make A level and GCSE examinations more traditional...

Main points

- Fewer A level and GCSE syllabuses to choose from. Merge exam boards... More pre-1900 literature in A level English...

compared with past exams geared to feats of memory.

New guidance from the authority will further tighten supervision of the four examination boards in England...

English GCSE papers is expected to be followed by a separate English language GCSE.

culators is to be restricted and formula sheets reviewed. Mrs Shephard said she expected the number of syllabuses to be cut significantly...

investigation by 50 independent examiners found the demands placed on students were broadly the same over the past 20 years.

All-party shame over gifts

Sleaze mires Ireland's top politicians

David Shearrock Ireland Correspondent

IMAGINE if Marks & Spencer had been discovered paying for the building of an extension to the home of the Transport Secretary, Sir George Young...

of the alleged beneficiary of these Irish-style shopping vouchers is common currency in the Dail's corridors.

Three members of Fianna Fail have already admitted to their leader, Bertie Ahern, that they received "small and insignificant" contributions from the Dunnes family over the past three general elections.

Earlier this week members of the Irish parliament were warned to avoid using parliamentary privilege to name names.

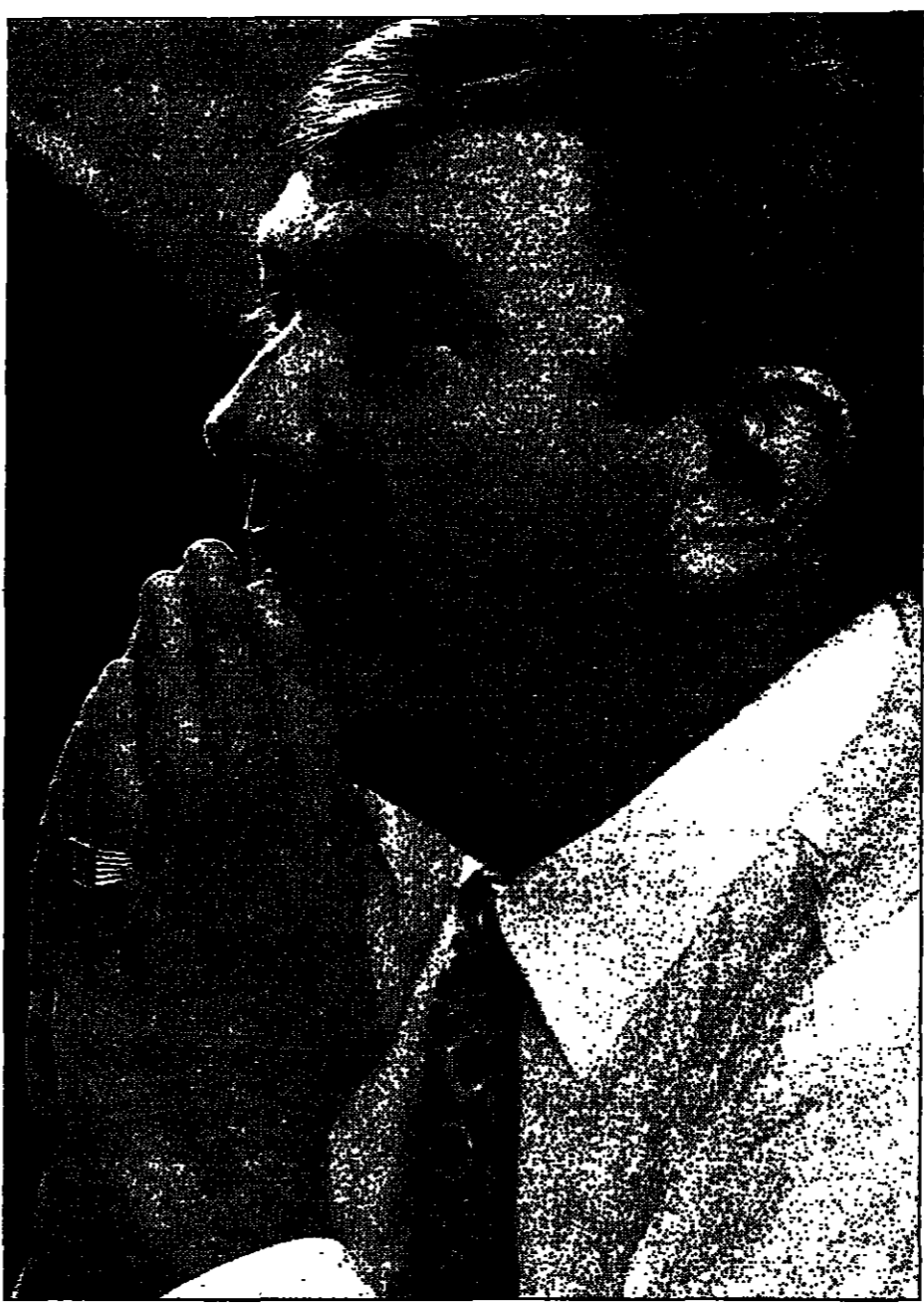
It is expected that the Price Waterhouse report into Dunnes Stores, described as "political dynamite" by senior politicians in Dublin, may be published soon in an attempt to clear the stench of sleaze.

The report was drafted in preparation for a multi-million-pound court battle between Ben Dunne and his siblings, Frank Dunne, Mrs Heffernan and Theresa Dunne.

Yesterday the Irish Independent, the newspaper that broke the story last week, said its source had revealed that "you-know-who's" name is not printed in the Price Waterhouse report.

There are a series of what could be false names on a money trail of cheques made out to cash but there is no conclusive proof, the source told the newspaper.

The scandal seems set to spread to include the names of hosts of town, city and county councillors throughout the Irish Republic.



Ben Dunne, who went on a Florida binge that led to the legal battle exposing the cash scandal

Chancellor scuppers Tory plot on Europe

continued from page 1 worst week since Redwood's leadership challenge.

On Channel 4 News, the Eurosceptic MP Teresa Gorman said: "It looks as if Ken Clarke and Michael Heseltine stitched John Major up on Tuesday" — a reference to the trio's public statements reaffirming last April's compromise, whereby a Tory government would keep its options open, at least in theory, on whether to join the euro before 2002.

Not all sceptics agree. Whether Monday's clumsy attempt to reopen the compromise debate was launched in the Telegraph without the Prime Minister's knowledge — some MPs said it stemmed from a lunch between Mr Major and the newspaper's editor, Charles Moore — it has achieved the opposite effect.

Some Tory MPs believe Mr Clarke should resign for sharing with BBC journalists his irritation over a West End lunch — the source of yesterday's "scotter" remarks, according to Labour's Frank Dobson, who was at a nearby table.

Today's Telegraph/Gallup poll, which gives Labour a startling post-Budget lead, up 10 points to 37 — 59 per cent for Labour, 22 Tories and 12 Liberal Democrats — will enhance the resentment.

Tony Blair, the Labour leader, said last night that the row showed the Government was now "descending into disorganised shambles. They are not only incapable of being led but incapable of governing the country."

Review

Doggfather part two: the return

Garth Cartwright

Soul Jam Wembley Arena

WHEN Snoop Doggy Doggy had on to Wembley's stage to a collective roar he must have felt like Evander Holyfield after taking Mike Tyson's title. In 1994, when his conviction for crack dealing and a coming murder trial made him a contemporary folk devil, a tabloid campaign demanded the deportation of the visiting Snoop.

picked out the words and transfixed the audience. Then it was back to the party, propulsive bass patterns and hard hip-hop beats echoing round the arena.

Snoop and his Doggy Friends and entourage treated it all like a street party. He received an ovation for his tribute to slain rapper and label mate, Tupac Shakur, then introduced his fellow G-funk star, Warren G.

If Snoop was all chilled cool, Sister Wives tried to raise the roof and inject spirit into the soulless arena. This New York vocal duo take the classic girl-group format, inject contemporary dance beats into it and sing. And can they sing, especially when the leading vocalist, Coko, wailed with beautiful weariness: "Is it just my body or does it include my heart?"

Blackstreet may not mean much here but in the US they became national heroes when their single Hot Diggity ended the 13-week reign of Los Del Rio's Macarena as the nation's No. 1 pop song.

The band leader, Teddy Riley, is a studio prodigy, producing everyone from Bobby Brown to Michael Jackson before he was 25. Live, Blackstreet are a raucous blend of harmonising and pure hip-hop thump. Riley and his three groupmates sweat, shimmy and encourage as much audience participation as possible.

Blackstreet are old-style R'n'B rapped in Calvin Klein, and with their energy, humour and vocal ability they made the Soul Jam not only the biggest but the best African-American event to happen in London in 1995.

This review appeared in later editions yesterday.

Girls behaving badly are back as C4 heads for 24-hour broadcasts

Andrew Cuff Media Correspondent

CHANNEL 4 yesterday signalled its determination to continue courting controversy by announcing the return of The Girlie Show.

nel 4 said it would return "lighter and sharper, but still determined to behave very badly indeed".

Sara Cox and Rachel Williams will be joined by new presenter Sarah Cawood. Three million people watched the first series — billed as the female answer to "new laddism" — with men aged between 25 and 50 proving the keenest viewers.



Dunnes Stores, at the centre of reports about cash gifts which are rocking Irish politics

Colourful firm, colourful lives

DUNNES Stores, with its "St Bernard" label, may be the Marks & Spencer of Ireland, but its British counterpart is nowhere near as colourful, writes David Shearrock.

The chain was established by Ben Dunne in Cork in 1945 after his father dissuaded him from emigrating to the United States. When he died in 1983 the company had 64 branches, 3,500 employees and a turnover of £320 million a year.

His sons Ben and Frank took over, with their sisters closely involved. The company is a private trust owned by the family. Chief executive is Margaret Heffernan, one sister, whose salary in 1992 was reported as £1.5 million.

In 1981 Ben Dunne junior was held captive for six

days after he was kidnapped by the IRA. He was later released amid reports of a substantial ransom payment. He has refused to talk about the ordeal.

Twelve years later, he went off on a golfing holiday to Florida. Off the fairways, he went on a tycoon-style binge worthy of an American tabloid soap.

At the end of an evening in the company of a prostitute and a quantity of cocaine, Mr Dunne clambered to the ledge of his 17th-floor hotel room and threatened to jump. The police talked him down and he was fined \$5,000, ordered to be treated for drug addiction and barred from the US for life.

The incident brought to a head a simmering family row that led to a lengthy legal battle for control of the company.



Margaret Heffernan, whose salary in 1992 was £1.5m

The Price Waterhouse report at the centre of the present row was commissioned as part of Mrs Heffernan's case. The matter was settled out of court in 1994. Mr Dunne now has his own retail company.

Advertisement for 'She's not a bird, Rodney. She's an actress' video. Includes text: 'ONLY FOOLS and HORSES', 'Is love on the cards for Del Boy?', 'Find out in this feature length xmas special', '£12.99', 'OUT NOW ON VIDEO', 'FIRST TIME EVER ON VIDEO', 'BBC' logo.

صكرا من الامال



Breaking up is hard to do... Percy Adams sits proudly in front of his Northlew Silver Band colleagues before the split. Mr Adams objected to 'new-fangled pop stuff' by artists such as The Beatles and Abba

# Last march of Colonel Bogey

Percy Adams has paid the price as sounds from the 1960s oust music for the over-60s. Stuart Millar on a coup amid the cornets

**Brassed off**

Top five brass band tunes

Percy Adams	The Young Turks
1: Colonel Bogey	1: All You Need is Love, The Beatles
2: Onward Christian Soldiers	2: Let It Be, The Beatles
3: Jerusalem	3: YMCA, Village People
4: Old Ragged Cross	4: Eyed the Tiger, Survivor
5: How Great Thou Art	5: Super Trooper, Abba

COLONEL Bogey was a staple of Northlew Silver Band's concert repertoire for more than 60 years. But the north Devon church concert and summer fete circuit will never be the same after a coup by young members ousted the definitive military march and the village band's veteran up director in the name of progress.

In a classic example of "artistic differences", rebels told Percy Adams, aged 78, he would have to go because his old-fashioned tastes were putting off new recruits and forcing the band into stagnation. Mr Adams, a farmer and grandfather, had devoted his entire life to the band since joining in 1932. He rose through the ranks playing cornet, tenor horn and trombone before taking over as bandmaster in 1971. Since then he has chosen every tune the 20-piece band played.

The dispute came to a head at a meeting to plan

the Christmas concert in the village hall, the most glittering date in the band's calendar. The youngsters demanded that they be allowed to play dangerously modern music such as The Beatles and Village People, but Mr Adams insisted they stick to military marches and rousing hymns. They responded by offering to throw up his resignation letter.

Yesterday, Mr Adams announced he would boycott the concert. "I am upset and disappointed at the way they have done it," he said. "I'm not young and if they waited I could not have gone on for much longer. When they asked me to resign it came as a shock... I think one or two of them wanted my job and that is why they kicked me out."

He said he preferred "proper" old brass band music. "There are no tunes in the stuff they wanted to play. I don't remember much of what they asked me to play, but there was stuff from The Beatles and a pop

song called YMCA. It was all the new-fangled pop stuff they wanted."

Mr Adams denied he had been too dogmatic in his musical preferences. "We did play some modern pieces. We did one called Love Changes Everything or something like that."

None of the rebels could be contacted yesterday, but the band's chairman expressed regret at the outcome. "Some members wanted to play modern up-tempo music and Mr Adams did not, which is understandable for someone of his age, but he was stopping the rest of the band from doing so."

He said they had tried to reach a compromise that would allow the band to play up-to-date pieces while Mr Adams would continue to conduct the older ones. "In the end there seemed to be no compromise available and he was asked to resign. No one wants to chuck out someone who has served the band for 62 years and as a result we regret what has happened."



Let it be... Percy Adams yesterday after being forced out of the band he had served for 62 years. PHOTOGRAPH: MARC HILL

# Bookies bet on daily lottery

Dominic Walsh and Jonathan Corino

CHARITIES could lose more than \$200 million a year as a result of a daily draw to be launched before Christmas by Britain's biggest bookmakers in a direct challenge to the National Lottery.

The televised lottery, to be called Forty Nines, is a joint venture between Coral, William Hill and Ladbrokes, which are introducing the draw on December 16 as a direct response to the Government's continued refusal to allow betting on winning National Lottery numbers.

It is expected to start as a daily draw, but industry analysts believe it could be increased to twice a day, depending on public reaction.

A spokesman for Camelot, the National Lottery operator, said: "We are aware of the move and are considering our position."

It is thought to be looking at the possibility of a legal challenge on the grounds that the new lottery may break the 1967 Gaming Act.

The Irish lottery has lost a fifth of its revenue since the introduction of betting in bookies' shops. Experts feel the UK lottery could suffer a similar drop. This would equate to the loss of £1 billion in revenues and \$260 million in pay-outs to good causes.

In common with the National Lottery, Forty Nines will be based on a machine that spews out six balls numbered between one and 49. There are no plans to offer a multi-million-pound jackpot, which would be too costly to hedge against. But the odds it is offering are likely to make it a serious rival to Camelot.

A £1 bet on five correct numbers would win a punter £100,000, compared with about £1,500 in the National Lottery. Three correct numbers would result in a £311 payout, whereas the Saturday draw pays out £10.

The game will be shown live on SIS, the satellite television system that relays races to most of the country's 9,500 betting shops.

In addition to William Hill, Ladbrokes and Coral — who between them are paying \$400,000 in start-up costs — other leading operators, including Stanley Racing, are expected to participate, paying \$5 a shop to receive the televised coverage.

# Vatican talks stall over women

Pope and archbishop agree to rethink road to reunification

John Hooper in Rome

THE Pope and the Archbishop of Canterbury announced last night that their two Churches were to rethink their talks on reunification because of the "obstacle to reconciliation caused by the ordination of women".

In a rare joint declaration, they said: "In view of women's ordination, it may be opportune at this stage in our journey to consult further about how the relationship between the Anglican Communion and the Catholic Church is to progress."

Both sides insisted they remained committed to talks, and the atmosphere surrounding Archbishop Carey's first official visit to the Vatican was one of cordiality. But

the decision with which it ended is bound to be seen as ominous by ecumenically minded Anglicans and Roman Catholics.

At a press conference later the archbishop made a series of contradictory remarks about women's ordination which seemed to reflect the strains of the visit. "It could be that the ordination of women will not be received into the life of the Church. Anything can happen in the years to come," he said.

But asked whether that meant the Synod's agreement on women's ordination could be reversed, he said no. He added that women priests were going from "strength to strength".

The Pope, by contrast, was unyielding. Twice in the day, his steely message to Angli-

cans was that — if only they would think long enough and pray hard enough — they would realise he was right and accept his authority.

After just 30 minutes of private discussion with Dr Carey, he said: "My particular responsibility as the Successor of Peter for the faith and unity of the Church leads me to invite my brothers and sisters of the Anglican Communion to reflect on the motives and reasons of the positions I have expressed in the exercise of my teaching office."

Earlier, his guest had swept into the Vatican in a black limousine, and been ushered into the sumptuous Apostolic Palace which serves as the Pope's residence and office.

Their discussions had been billed as strictly private. But, with an unfortunate turn of phrase, Dr Carey described it as being "as alone as you ever want to be".

Sitting alongside Dr Carey in the Vatican library after-

wards, his hand trembling violently as he read from a prepared text, Pope John Paul made clear the depths of the Vatican's disillusion.

He said the split with Canterbury in the 16th century had been "tragic". Since the start of their talks, Anglicans and Roman Catholics had "joined more fervently in prayer for the gift of unity". The dialogue had "highlighted points of convergence and even agreement not thought possible before".

But he went on to imply that, because of the difficulties over women's ordination, reunification was no longer a realistic aim.

Dr Carey and his wife were unexpectedly asked back for lunch, along with the Anglican Archbishop of Cape Town, Njongonkulu Ndungane. But there was no invitation to the celebrations the Vatican is planning in Rome to mark the start of the third Christian millennium.

# John Vassall, once Britain's most notorious spy, dies a secret death

Richard Norton-Taylor

THIRTY years ago, his name was all over the front pages. Last month he dropped dead on a London bus and no one noticed. It emerged yesterday that John Vassall, the former Admiralty clerk at the centre of a spy scandal that rocked the Macmillan government and severely embarrassed the security services, had been privately buried.

Vassall, a homosexual blackmailed by the KGB, changed his name to John Phillips, protected by obscurity. He was usually described as a lonely figure. Yet

more than 100 people attended his Latin High Mass funeral secret at the Bromley Oratory in Knightsbridge, west London, on Tuesday. That, too, emerged only yesterday.

The congregation, which heard a passage from The Ballad of Reading Jail by Oscar Wilde, included friends from the British Records Association, where he worked as an archivist. Also there was Lord Longford, who met Vassall in prison after he was sentenced to 10 years in 1962.

"I saw him quite often. I was impressed by him," Lord Longford said yesterday. He described the funeral as a "pretty good tribute".

Vassall died of a heart attack at the age of 72 outside Baker Street Underground station on November 18, almost entirely forgotten by a public which had vilified him, despite the underlying questions about why someone who had scarcely hidden his homosexuality, and had indulged in a lifestyle well beyond his official means, had not been suspected sooner.

His arrest and trial provoked a furore at a time when political scandal was more about sex and spies than sex and sieges. The Vassall case was a kind of prelude to the Profumo affair.



John Vassall: vilified, then forgotten, by the public

**Ironically, Pynchon's refusal to assume a public persona has only fuelled an image he may have never intended. "It works for him that he is a recluse," says Chris Calhoun. "I'm sure this is a coincidence, but it's very big business."**

Nancy Jo Sales on the world's most notorious literary recluse

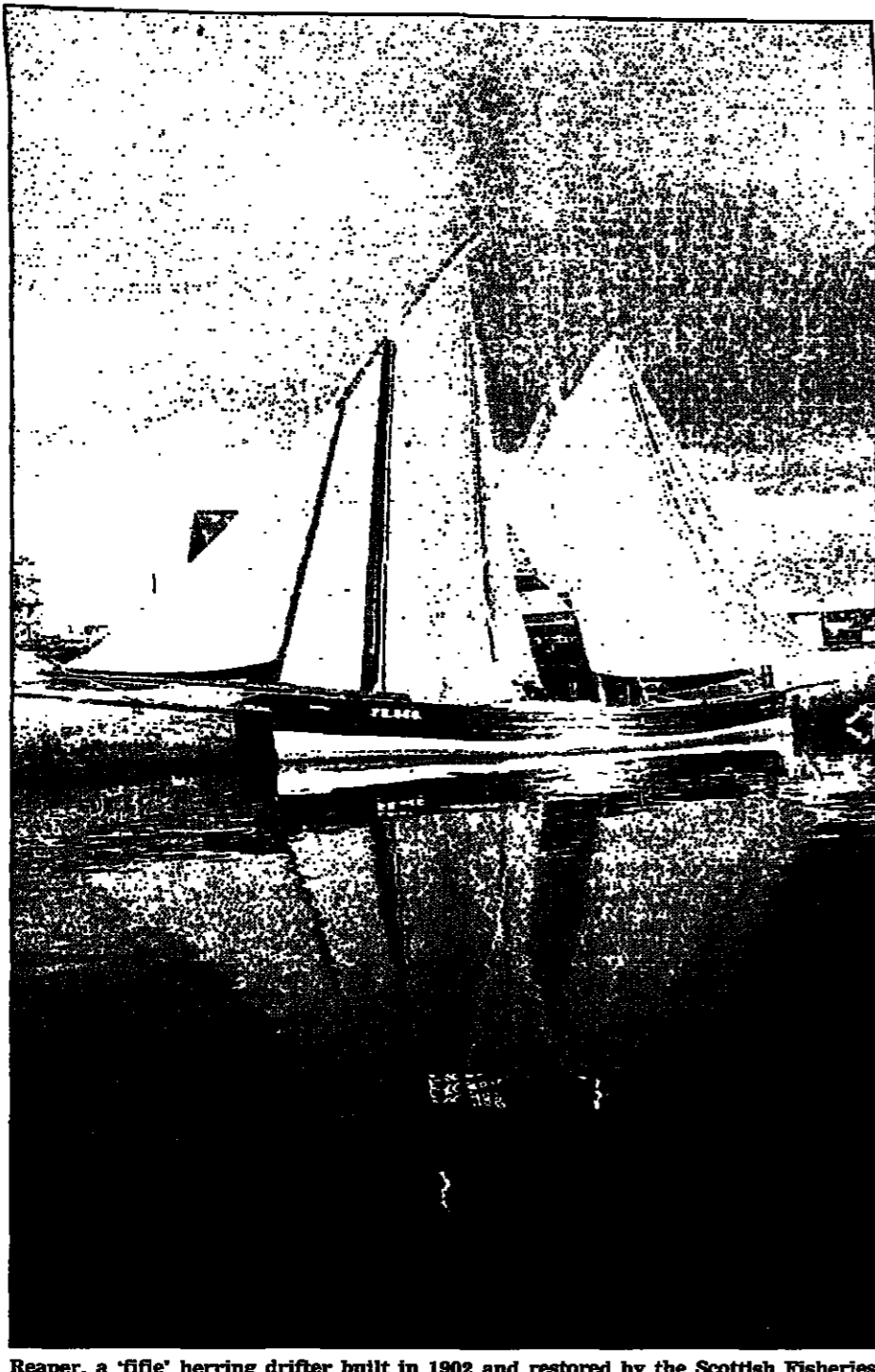
# Friday Review cover story

SUCCESS. IT'S A MIND GAME.

GOLDSMITHS & WALKER & HALL

*John Vassall*

Cash cuts could sink marine relics

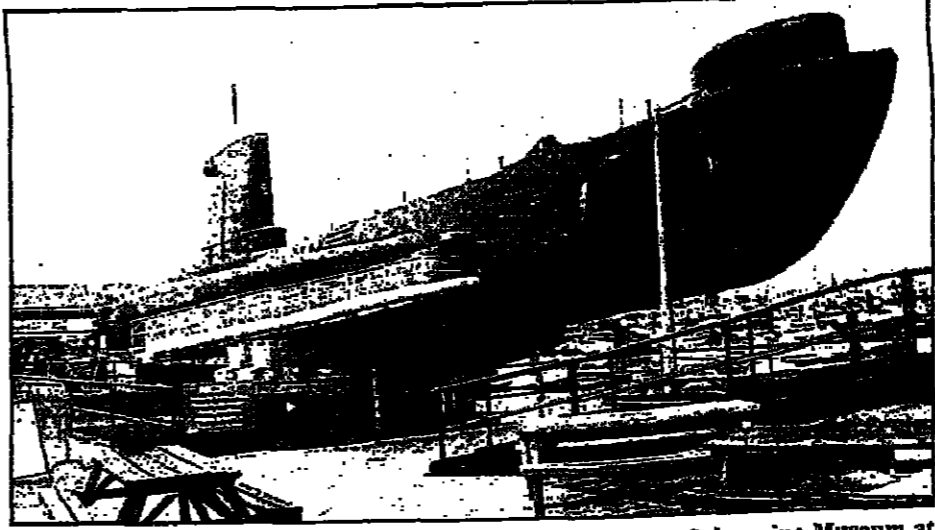


Reaper, a 'fife' herring drifter built in 1902 and restored by the Scottish Fisheries Museum at Anstruther, Fife, will be among the 3,000 historic ships on the register

Maev Kennedy looks at proposal for a national register of pre-1945 vessels

Listing of historic ships may see many left high and dry

Many of the 3,000 or more historic ships being conserved around Britain, from Elizabethan galleons to 20th century gunships, are likely to face stormy times after the announcement yesterday of an attempt to compile a national ships register.



Alliance, an A-class second world war boat at the Royal Navy Submarine Museum at Gosport, Hampshire, will be among the youngest vessels to be classed as historic

Wrecks and restoration

THE Mary Rose, Henry VIII's favourite warship, was built about 1520, and sank off Portsmouth in 1545. It was raised in 1982 and is undergoing a £1.25 million restoration.

Recently the historic ships collection at Exeter docks went into receivership, hit by lease problems, maintenance costs and a decline in visitors.

Smoke incident forces tunnel safety review

EUROTUNNEL has been forced to amend its emergency procedures after an incident in which a 15-mile stretch of the Channel Tunnel service tunnel filled with dense exhaust smoke when the engine of a service vehicle developed a fault.

Copyright detectives prepare to move in on Whitehall

Private detectives employed by the Copyright Licensing Agency may be about to infiltrate a government department to investigate suspicious that illegal photocopying is taking place.

CLA announced a crackdown on companies — and government departments — which through ignorance or arrogance are breaking the law.

body or quango not holding a CLA licence can expect to be under the closest scrutiny from the CLA and its investigators.

ments with such institutions as Morgan Stanley, Manchester City Council, and Fournier Pharmaceuticals after legal action.

mission is to go through the rubbish bins, looking for photocopies. If that produces no revelations, they may take over the company's cleaning contract, or even pose as a rival outfit, and interview some of the staff as if to poach them for better-paid jobs.

House of Commons about the measures each department was taking on compliance with copyright law. The Welsh Office answered: "Nothing".

This was due to a rise in the number of trains running into obstructions and in the number of fires on passenger trains, mostly caused by vandalism.

Anti-stalking law could be used against racists and bullies at work

The Government's anti-stalking law, published yesterday, is so widely drawn it will also be used against nuisance neighbours, workplace bullies and racists, the Home Secretary, Michael Howard, announced yesterday.

Statement says protests will continue until Orange parade allowed

Fears of more loyalist violence follow arson attacks on school

Fears of serious violence during loyalist demonstrations at a Catholic church in Ballymena this weekend grew yesterday after arson attacks on a Catholic school and homes.

and the pan-nationalist front". A number of his Free Presbyterian churches have also been daubed with graffiti claiming that he is "no Carson", a reference to Mr Paisley's hero, the anti-Home Rule Irish Unionist and barrister Sir Edward Carson.



The burned-out home of a Catholic family in Ballymena, above, and, below, St Mary's primary school is cleaned up after it was fire-bombed yesterday



Generals call for an end to nuclear weapons

FIELD MARSHAL Lord Carver, a "Desert Rat" who rose to Britain's chief of defence staff, yesterday joined more than 60 generals and admirals worldwide calling for the elimination of nuclear weapons.

Carver's belief that having a nuclear deterrent is riskier than not having one. Their statement, published in London, proposes three immediate moves to take advantage of the ending of the cold war: further large cuts in nuclear stockpiles, taking those that remain gradually off alert and declaring that the world must work towards their total elimination.

national intervention" to destroy illicit weapons. The signatories say the end of the cold war favours disarmament. The UN's approval of a comprehensive test ban treaty earlier this year is one of several steps towards a nuclear-free world.

Sheep dip adviser quits over government 'gag'

GOVERNMENT adviser on brain and nerve damage caused by sheep dip has resigned from his post because he has been "gagged" by a new code of conduct which he says prevents him telling the full truth in court.

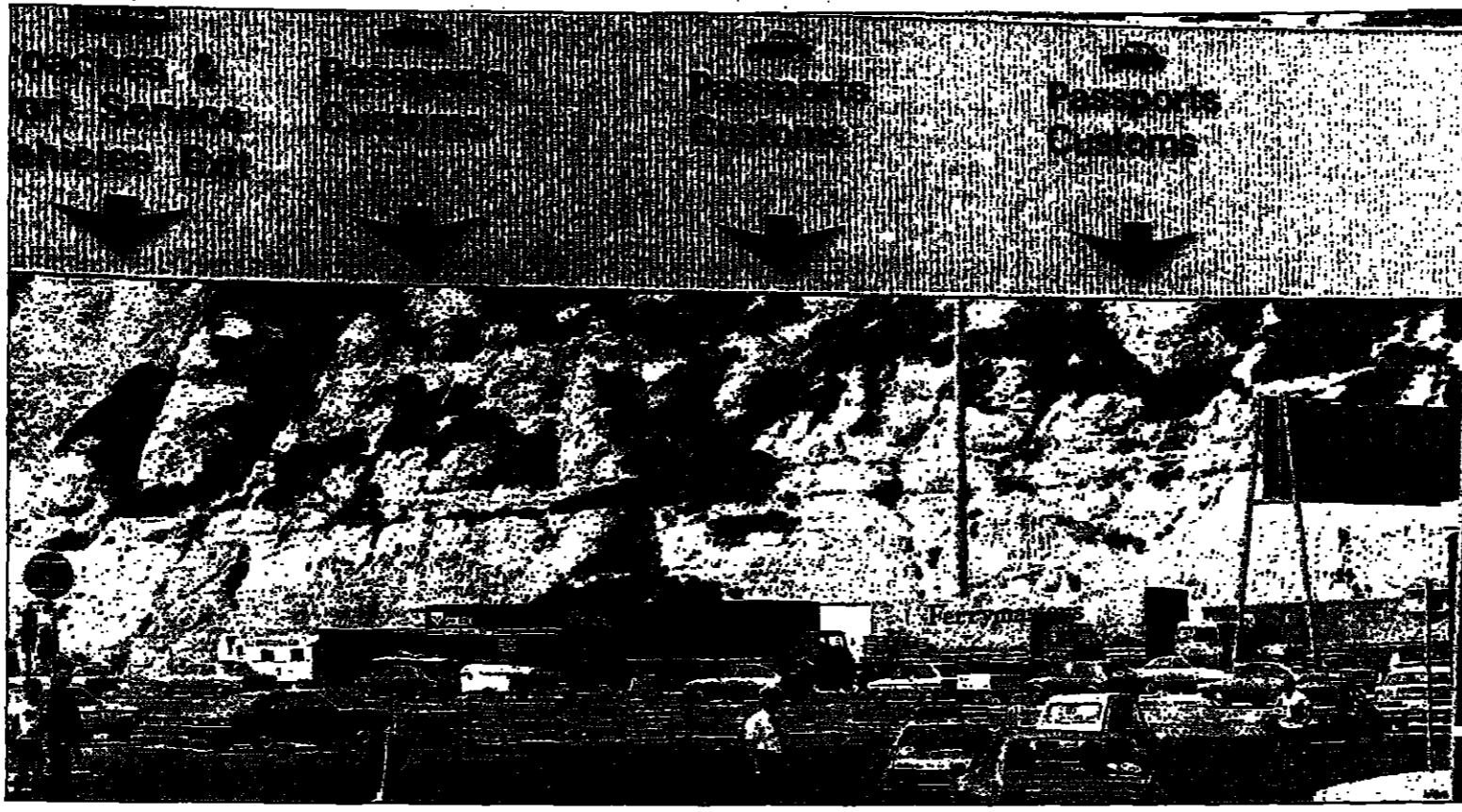
was appointed. It was a major reassurance to them that he would be there to find out the truth of whether they were entitled to compensation. He was the only independent member of the committee.

not relent. There was a conflict between continued membership and serving justice in a court of law. In effect, they were forcing me to be economical with the truth.

صوتنا من الامل

### Brussels proposals include new powers on immigration, asylum and frontiers

The European Union's draft treaty — the blueprint for closer integration — was released in Brussels yesterday. The document forms not only the basis for next week's Dublin summit, but the text with which British Eurosceptics and Europhiles will do battle in the run-up to the general election. In many key areas, Britain is in a minority of one in objecting to the draft treaty's proposals, leading Eurosceptics to fear that objections will be drowned out by an integrationist majority. The European Commission president, Jacques Santer, said yesterday the EU would soon face its "moment of truth"



Britain is pledged to fight curbs on its border powers, although the European Court is likely to rule that UK passport checks on other EU citizens are illegal

#### Draft treaty's main points

- The social chapter, which Britain has an opt-out from, should be integrated into the treaty, extending to all member states the content of an agreement "which at present applies to 14 member states only".
- A new article giving the EU powers over internal and external border controls, asylum policy, and measures affecting refugees and displaced persons.
- Sets 2001 for full opening of internal borders.
- Establishes citizenship of the European Union, but this is intended to "complement and not replace national citizenship."
- Identifies fundamental human rights, the freedom of citizens to live and work throughout the Union, the fight against crime and drugs, and jobs as key priorities.
- Proposes a permanent upper limit of 700 members of the European Parliament, no matter how much the EU expands. In future there may be fewer MEPs from each country.
- Defers any proposal on the future size of the Commission, changes in the votes of each member state or on the key issue of "flexibility" — the right of those EU countries which wish to cooperate more closely to do so without being prevented by the veto of others.
- Future proposals for joint action in foreign and security policy to be prepared by a Brussels-based unit under control of a more powerful secretary-general of the Council of Ministers.

## EU nearing moment of truth on treaty, warns Santer

### Howard threatens veto on move to relax Europe passport checks

John Palmer in Brussels and Alan Travis

THE president of the European Commission, Jacques Santer, yesterday spelled out the choice facing the EU — and particularly Britain — as its most sceptical member — as the union's draft treaty was unveiled before next week's Dublin summit.

"The EU, he said, would soon face a 'moment of truth' in its quest for greater political

unity. Asked whether there was any prospect of the British Conservative government agreeing to closer union, Mr Santer replied: "In my experience agreement in these negotiations only comes at the last moment, sometimes in the last five minutes. But I do not rule out that under the Dutch Presidency (starting in June 1997) a moment of truth will arrive."

"We will have to answer the question 'what is the political project for Europe 40 years after the Treaty of Rome?'"

Mr Santer told a press conference in Brussels given jointly with the Irish prime minister, John Bruton, whose country holds the current EU Council presidency. "We must decide between Europe as a political project, or it being a vast free trade area. That is when there will be a choice and a moment of truth."

Mr Bruton, who will host the two day Dublin summit on December 13-14, was more circumspect when he was asked whether he believed John Major could agree to some of the proposals in the Irish EU Presidency draft treaty. These include new powers to be given to the European Union over immi-

gration, asylum, external frontiers and the fight against crime. Other proposals clearly point to the need for more majority voting, greater powers for the European Parliament and a stronger common foreign, security and defence policy.

The Home Secretary, Michael Howard, greeted the disclosure of the new commission proposals on border controls with a robust declaration in London that he would veto any attempt at Dublin to lift British passport checks on EU citizens. But former Home Office minister, Charles Wardle, warned that the Government was overlooking an impending ruling from the European Court in Luxembourg that Britain's existing passport checks on other EU citizens were illegal.

"We have already signed away our right to independent border controls in the Single European Act," said

Mr Wardle. "Lady Thatcher has said herself she was misled over her belief that we had negotiated an opt-out."

Although Britain has firmly resisted attempts to reduce passport checks at ports such as Dover on EU citizens, Mr Howard has been instrumental in creating a system of internal immigration checks. Letters went out to more than one million British companies this week telling them of new penalties for

employing illegal immigrants. "But our position is clear we will use our veto at the inter-governmental conference to maintain our border controls. We believe in defending Britain's interests. If necessary even if that means being isolated in Europe," Mr Howard claimed that France had maintained passport checks at its Northern frontier and had reinstated them at all other borders this week after the Paris metro bombing.

## Sceptics set to vent spleen

Michael White Political Editor

WARNING Conservative Euro-factions will get their long-awaited chance to air differences over the future direction of the European Union in a two-day Commons debate next Wednesday and Thursday — a day before the Dublin summit.

Ministers confirmed the timetable last night as Tory sceptics on Europe responded with alarm to the EU treaty revisions produced by the Irish presidency of the Council of Ministers on border controls as well as the powers of the commission and Strasbourg parliament.

Some sceptics believe a firm No is the key to a fifth election win. A senior back-

bencher said: "We must be like 1940, we must stand alone."

Colleagues in the Lords finally admitted that member states can, in theory, be taken to the European Court for economic delinquency, whether or not they join the euro-currency.

They pointed to Lord Mackay of Arbreknish's speech in this week's Lords debate in which he told Lord Tebbit that "all members of the single market should take account of the community as a whole when running their economies."

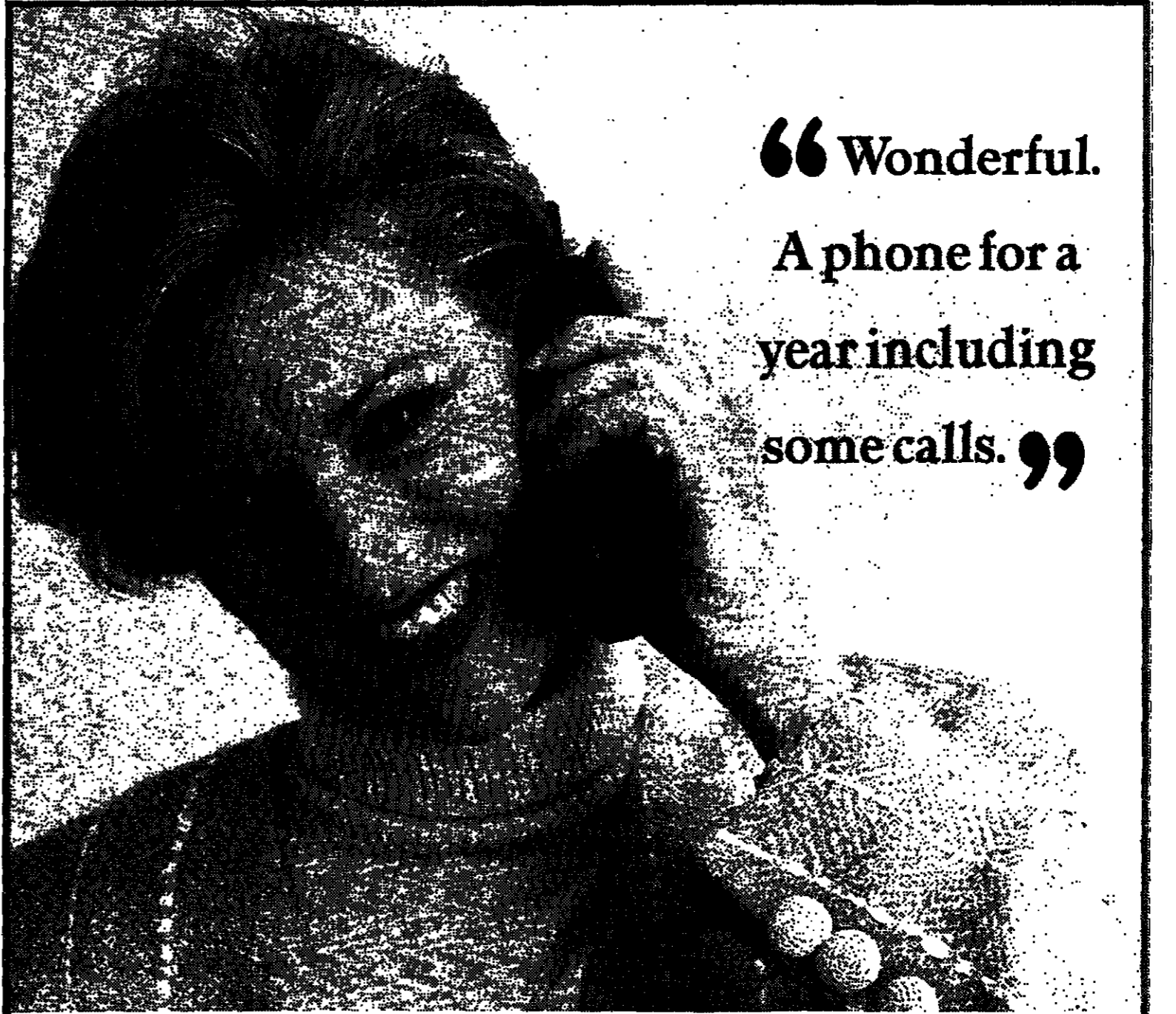
"Single markets work better with a degree of coordination in certain economic policies, in particular sound public finance and low inflation."

He told Lord Tebbit he "did not see any prospect" of member states being taken to the Court for failing to honour its obligations "unless it were to do something deliberately to destabilise the single market and the Community as a whole."

Such circumstances were "so extreme" that no sensible government would do it, the junior minister told peers, some of whom were unconvinced.

In the Commons the Prime Minister yesterday renewed his pledge that a referendum would be held before sterling was "linked in any way" with a European single currency.

He told MPs at question time that the Tories had made a "firm commitment" to hold such a poll if the Government backed economic and monetary union in the next parliament.



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Peace under pressure in former Yugoslavia

Station back on air

Julian Borger in Belgrade

THE independent Belgrade radio station B92 went back on the air yesterday evening in one of a series of concessions by the Serbian government...



Protesters parade an effigy of President Slobodan Milosevic dressed in a prison uniform through Belgrade yesterday

Aid terms spelt out

Ian Black and David Fairhall

WESTERN powers are to increase the pressure on the Bosnian authorities to hand over indicted war criminals and will directly link future aid to meeting pledges made under the Dayton peace accord...

the (separate) systems are included in the aid. Reconstruction assistance will also be linked to the fulfilment of pledges for Bosnia-wide road and rail systems...

'The economic and military help of Western countries should not be taken for granted'

Serb and Muslim-Croat entities. Malcolm Rifkind, the Foreign Secretary, said: "Bosnia-Herzegovina's leaders can be in no doubt that the international community's willingness to devote further human and financial resources to their country is dependent on a strengthened commitment to implementation of the peace agreement in all areas..."

The 'handmaiden' who punches above his weight

Britain's ambassador to Serbia has rejected accusations that he is appeasing its presidential strongman, reports Julian Borger in Belgrade

IVOR ROBERTS, Britain's man in Belgrade, is a household name in Serbia. The students' doggedly demonstrating in the streets of the capital all seem to know who the British ambassador is. They do not think much of him.

and president of the Carnegie Endowment for International Peace, wrote a bitter indictment of the West's "coddling" of Balkan dictators.

our weight". The tall diplomat, whose trademark is a wry, world-weary sense of humour, has a higher profile and more access to the president than any other Western envoy...

messages to the regime. People are willing to see me because they think of me as scrupulously fair... The Serbian opposition questions just who is using whom. Ilija Djukic, a Democratic Party spokesman, argues that Mr Milosevic has failed to meet most of his obligations under the Dayton peace accord.



High profile: Ivor Roberts

Mr Roberts is exasperated by the charge of taking sides. "It is very difficult to promote British commercial interests when every visit to a factory is manipulated by the state media..."

EU commissioner backs soft drug legalisation

Stephen Bates in Brussels

IT IS time to experiment with legalising drugs because prohibition has not worked, according to Emma Bonino, an Italian European commissioner.

stations, but you will always be able to buy an illegal drug, no matter where you are and whether it is Christmas Eve or Ramadan.

try to convince drug users that their choices are self-destructive, but we have no right to impose on them our choices.

should be available for sale and that hard drugs could be made available, under medical supervision, by prescription.

presidency — and the lead in policy formulation — at the start of next year. But it has clashed with the other members over its liberal penal policies...

Hedy d'Ancona, a former Dutch health minister, backed her country's policy at the conference, claiming that the legalisation of soft drugs had helped discourage experimentation with harder drugs and reduced trafficking.

World news in brief

US warns China not to drop Hong Kong legislature

THE US said yesterday it was unhappy at the progress of human rights talks with China — and warned it will oppose any moves in Beijing to disband Hong Kong's elected legislature.

China has vowed to replace the Hong Kong legislature with a provisional body when it takes over the territory in the middle of next year. A Beijing-controlled committee will name the 60-member interim body by the end of this month.

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Advertisement for Vodafone mobile phones. Features: FREE CALLS FOR 24 MONTHS ON VODAFONE ANALOGUE MOBILE PHONES. Includes details for the Samsung SH710 Analogue Mobile Phone and the Sony CM-H333 Analogue Mobile Phone.

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Advertisement for Comet mobile phones. Features: NEW COMET CHRISTMAS CATALOGUE IN STORE NOW! Packed with 450 of the best products available.

Advertisement for More to settle in West Bank. Features: Israel is letting Jews occupy 100 more homes in the West Bank, an aide to the prime minister, Binyamin Netanyahu, said yesterday.

Handwritten Arabic text: صكنا من الاعمال











Pound in tailspin, page 12

Agents of woe at GUS, page 12

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

FinanceGuardian



Richard Giordano flanked at yesterday's christening by chief executive designate David Varney, of Centrica, and Ray Gardner, of BG plc

British Gas prize up for grabs in take-or-pay talks • Break-up into Centrica and BG plc by February

Morecambe Bay rush is on

Simon Beavis
Industrial Editor
BRITISH Gas yesterday made clear that it was prepared to trade all or part of its prize UK production asset, the Morecambe Bay gas field, to rid itself of crippling take-or-pay contracts.
The signal was given as the company detailed plans to demerge its pipeline and trading businesses, and disclosed that it had made the first deals to sort out a legacy of uneconomic, long-term gas supply contracts. British Gas will pay £293 million to alter contracts with British Petroleum and with its own trading arm.
The Gas Consumers' Council demanded assurances that any benefits would be shared with customers. Sue Slipman, the director, said: "Consumers must be seen to benefit from the renegotiation or BG risks alienating large numbers of customers on the eve of the introduction of gas competition."

ploration and production arms will collect under the name BG plc.
The City is expecting another two take-or-pay deals to be pushed through by February and sees Mobil as the next oil company likely to complete renegotiation. Many observers believe this could be a more significant deal than that with BP.
Directors made clear that the sale of stakes in Morecambe Bay was an option in subsequent negotiations, raising speculation that this might be taken in talks with Shell.
BG chairman Richard Giordano said Morecambe Bay

needed to stay an undiluted part of British Gas for now but that there were already discussions about assets.
British Gas is paying £293 million in the first take-or-pay settlement, to take less gas at more competitive rates. With BG keeping details of the deal secret, there was speculation that the amount payable to BP alone could be as much as £245 million. Some observers were suggesting that eventually the cash sum could be partly replaced by assets.
Mr Giordano reversed a pledge to quit British Gas shortly after the demerger. He will remain as chairman of BG plc indefinitely. He said that he was determined to proceed with the demerger as quickly as possible to prepare for full competition in the domestic market after 1998. "There is no doubt that these business, unburdened by each other, will be managed more effectively for that."

its former chief executive, Cedric Brown.
He has been hinting for several months that the deal could be completed by next February, but yesterday made clear that enough legal groundwork had been done to meet the timetable.
The chief executives of the new companies, David Varney at BG plc and Roy Gardner at Centrica, announced a series of non-executive directorships to their boards.
Among those joining Centrica is Patricia Mann, international vice president of J Walter Thompson and a former member of the Gas Consumers' Council. Heather Rabbatts, chief executive of the London Borough of Lambeth, and Bill Cockburn, head of WH Smith and former chief executive of the Post Office. The former M15 chief, Dame Stella Rimmington, joins the non-executive team at BG plc.
Mr Cockburn reversed a pledge to quit British Gas shortly after the demerger. He will remain as chairman of BG plc indefinitely. He said that he was determined to proceed with the demerger as quickly as possible to prepare for full competition in the domestic market after 1998. "There is no doubt that these business, unburdened by each other, will be managed more effectively for that."

What's in a name?

Chris Barrie
on the costly art of the corporate makeover



At least it's not Centrica," said one City analyst contemplating British Gas's decision to renege itself as Centrica and BG — and referring to retired chief executive Cedric Brown. "It should be Ec-centrica," said another observer.
Changing names is easier than changing reputations. British Gas is following in the footsteps of Rover (BL, British Leyland), Sealfield (Windscale) and United Utilities (Norweb and North West Water) to name just three examples.
British Gas said its new identities reflected the new identities of the demerged companies. Developed by a consultancy called Interbrand, the image revamp cost £250,000.
Centrica characterised "a dynamic company operating in a fast moving and

Notebook

The day sterling bear woke up



Edited by Mark Milner

WITHOUT any disrespect to its member MPs, Eddie George was not doubt to reach a wider audience than the Treasury select committee in careful testimony relating to his view of UK interest rates.
Not that the Bank of England government was backing away from the prospect of dearer borrowing. As he told the committee, higher base rates will improve Britain's chance of hitting Chancellor Kenneth Clarke's inflation target of 2.5 per cent.
But his message — reinforced by evidence from the latest CPI snapshot of the high street — that he saw no urgent need for a dramatic step was not what the foreign exchange market had been expecting to hear.
Mr George's remark clipped two pence off the pound's value against the German mark and by the end of the day, sterling had fallen around four pence. It is now 12 pence below the four-year high clocked up earlier this week.
The governor looks as if he is having to walk a rather tricky line. Sterling had been roaring ahead on expectations of higher rates. The governor would like to see rates higher too, albeit modestly so. In the present atmosphere, however, such a policy response would risk reinforcing market expectations, pushing the pound even higher.
That would scarcely help Britain's exporters. They are already muttering about the impact of sterling's 15 per cent surge since the late summer on their earnings. Yesterday, it was the turn of GrandMet to join the pound protesters.
Mr George seems to have squeezed out at least some of the base-rate anticipation from the market. As one trader said of the speculators, in characteristically robust terms: "They've been prodding the sterling bear with a stick, and it's finally woken up and taken their arm off."

Clear and present

ACCORDING to Colette Bowe, the chief executive of the Personal Investment Authority, her organisation is not a self-regulatory organisation but, like it or not — and Ms Bowe does not like it — it is struck with the label. The idea that supervision of the market in retail financial services is carried out by a self-regulatory body is, she says, a fiction which should be dismissed.
Does the label matter? Ms Bowe thinks it does. She believes there is a need to strengthen the perceived public accountability of the regulator in the retail area of the industry by strengthening the links with government and Parliament. She would like to see a designated agency with a public-interest board appointed by the government of the day.
A couple of points. Ms Bowe says she is speaking only about regulation to protect the private investor. She is clear that practitioner involvement — a key part of self-regulation — should remain, though on what seems to be the basis of technical advice, not supervisory control.
That is fair enough. But implicit in the downgrading of the practitioner role is a shift towards a rules-based rather than a judgement-based regulatory system.
It is one thing for non-practitioners, with the support of expert advice, to enforce a set of rules. It is quite another to expect them to make judgements which would have taxed Solomon.
That may be no bad thing. A judgement-based system may be more flexible, but a regime based on a public-interest organisation operating a clear set of rules should be more transparent.

Ofwat applies plunger as water complaints gush

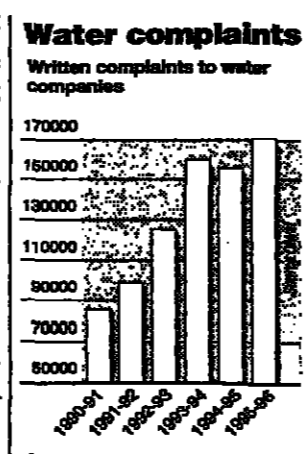
Celia Weston
Industrial Correspondent
WATER companies came under attack again yesterday after the industry regulator, Ofwat, published figures showing a doubling of interruptions to water supply, an increase in complaints from customers and wide regional variations in performance.
The report on the 10 regional water and sewerage companies and 18 water supply companies measures performance against a range of criteria.
It comes the day after in-

dependent research revealed that average bills have risen by nearly 42 per cent in the seven years since the water companies were privatised.
Ian Byatt, director-general of Ofwat, said not all companies had improved their services, leading to a slower overall improvement than in previous years.
The dry summer of 1995 and the freeze at the beginning of this year had affected performance, leading to more interruptions to supply and a rise in customer complaints, he said.
Companies whose performance levels are "signifi-

cantly below" the average are to hold talks with Mr Byatt about their plans to improve.
The Ofwat report shows that the number of people writing with complaints increased last year by almost 10 per cent, from 114,000 in 1994-95 to 171,000 in 1995-96.
There was also a doubling to 130,206 in the number of unplanned and prolonged interruptions of water supply for 12 hours or more, and a more than doubling of the number of customers without a supply for 24 hours or more.
But Ofwat did report some improvements, in-

cluding the quality of drinking water with 99.5 per cent of water tested meeting the required standard, compared with 98.7 per cent in 1992. Responses to bill queries, too, showed that 90 per cent were answered within five days and written complaints within 10 days.
Customers are entitled to guaranteed standards of service laid down by the regulator admitted yesterday.
If a company fails to meet any of the guaranteed standards, customers are entitled to a compensation payment, normally £10.
But Labour's Helen Jackson said the report was

shocking. "The privatised companies and their regulators are failing the public year on year. Ofwat's own figures show that last year more than six out of 10 people (61 per cent) were not satisfied with the regulator's handling of customer complaints."
Nor were the water companies going to meet targets to cut leakage from the system, through which a third of all the water was lost, she said.
Labour also published previously unpublished figures from the drinking water inspectorate of 81 cases of serious pollution since the beginning of the year.



Hanson share price 'too low'

Roger Cowe
LORD Hanson, who rode the 1980s stock market boom to create his huge conglomerate, yesterday hit out at the market's valuation of the group as it splits up.
Presenting his last set of results as chairman before demerger and his own retirement at the next annual meeting, Lord Hanson said: "The performance of the share price is of over-riding importance to all shareholders and has been very disappointing.
"The combined value of Hanson and the demerged companies was 195p on December 1 1995, and now stands at 150p.
"This in no way represents

either our earning capacity or future prospects.
Chief executive Derek Bonham predicted that the stock market's view would change as the demerger process evolved. He pointed to the share price of US Industries, the first collection of subsidiaries to be floated, which has almost tripled since it floated on the US stock exchange.
Lord Hanson was able to trumpet a record result thanks to profits on the disposals which set the demerger process running. But miserable conditions in the UK building industry left the rump of the group behind the previous year's performance.
Despite £300 million of acquisitions during the year,

profits of "New Hanson", at £231 million, were 3 per cent lower than last year. ARC suffered from the worst aggregate market for 20 years and saw profits fall by almost a fifth. Hanson Brick was hit even harder, seeing profits fall from £28 million to £27 million after the addition of £9 million from the French acquisition, Desimpel. Of the UK businesses, only Hanson electrical managed to hold profits steady.
The US companies fared better. The crane operation, Grove Worldwide, pushed up profit by half to £48 million, with the aid of acquisitions and strong markets. And the US aggregates company, Cornerstone, also had a good year.

Financial services needs overhaul

Richard Miles
A SWEEPING overhaul of regulation in the financial services industry is urgently needed to restore confidence among private investors, a senior financial regulator admitted yesterday.
Colette Bowe, chief executive of the Personal Investment Authority, told delegates at an insurance conference that self-regulation no longer delivered the level of protection expected by investors.
Instead, Ms Bowe advocated the creation of a designated agency that would be accountable to Parliament. This would replace the PIA, the self-regulatory organisation

formed two years ago to police the sellers of life insurance, pensions and investment funds.
Speaking to executives in an industry beset in recent years by scandals, Ms Bowe said the investing public was no longer satisfied "with the current system of self-regulation, which was in fact 'more apparent than real'."
"Self-regulation is a concept that, frankly, we are stuck with, because it is enshrined in a piece of legislation. The idea that the regulation of the retail marketplace is carried out by a self-regulatory body is fiction," she said.
The designated agency — a notion also favoured by the Labour Party — would be controlled by a board peopled

entirely by public-interest directors.
A series of committees would allow industry practitioners to make their views known to the regulator.
Creation of the agency would also remove insurance companies' right to choose their regulator. Prudential, the largest life insurer in Britain, has refused to join the PIA, preferring to be policed by the chief regulator, the Securities and Investments Board.
Consumer confidence in the financial services industry has been badly dented by a series of scandals, such as the mis-selling of personal pensions to hundreds of thousands of investors, including miners, nurses and teachers.

Pacific island two walk free

Dan Ackleson
SCOTLAND Yard yesterday freed two people arrested in connection with a \$100 million (£62.5 million) attempt to bankrupt the Pacific state of Vanuatu. The Guardian understands the Crown would have had difficulties mounting a prosecution here.
The man, aged 47, and woman, aged 41 — arrested in July — surrendered to police bail yesterday at Fraud Squad headquarters in central London. They were told no further action was planned.
As far as we are concerned, our involvement... is at an end," said a Yard spokesman.
Britain last week returned the 10 "promissory notes" to

Vanuatu, removing the threat of bankruptcy from the tiny state. Had they ever been traded on international markets, they would have crippled Vanuatu, valued at \$85 million, they represented five times the country's annual overseas earnings.
Vanuatu ombudsman, Marie-Noelle Farcieux Patterson, said the country can "relieve... [a] huge sigh of relief".
Meanwhile, the trial of the alleged prime mover behind the promissory-note fraud — Australian financial consultant Peter Swanson — opens in Vanuatu on December 10.
The Guardian understands that Mr Swanson may have been a front man for American masterminding the scheme.

Table with columns for country, bank, and rate. Includes entries for Australia, Austria, Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Greece, Hong Kong, India, Ireland, Israel, Italy, Japan, Korea, New Zealand, Norway, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, and USA.

Handwritten scribble or signature at the bottom of the page.

# George's words put pound in tailspin

Larry Elliott, Economics Editor, and Sarah Ryle

**T**HE Bank of England Governor, Eddie George, sent the pound into a tailspin yesterday after telling MPs he saw no need for a dramatic increase in interest rates to combat inflation.

On Monday night, the pound climbed to DM2.53 - its highest level since the immediate aftermath of Black Wednesday in September 1992, but has been falling ever since.

Mr George said Britain was clearly in the midst of a domestically driven expansion, but the upswing was far less intense than the boom of the late 1980s.

Industry yesterday argued that their latest snapshot of the sector suggested no need to raise the cost of borrowing. According to the latest distributive trades survey, retail sales volumes slowed in November, contrary to expectations.

# Sterling takes GrandMet toll

Lea Buckingham

**G**RAND Metropolitan, the food and drinks group which owns Burger King, Green Giant and Gibbey's Gin, yesterday predicted that this year's profits could be hit by £40 million if sterling remained at current levels.

Chairman George Bull said he was "very concerned by the level of sterling" and criticised government policy which had resulted in an "unnecessarily high" pound.

# UK fights to keep inflation measure

Sarah Ryle

**F**EARs that the UK's official measure of inflation could be forcibly watered down by other European Union countries emerged yesterday after criticism about American proposals to slash the country's consumer prices index at a stroke.

EU officials are already running out of time to reach agreement on a pan-European measure of inflation. This must be done by the end of this month so that inflation rates can be accurately compared in 1997 to determine which countries can join the proposed monetary union.

# German unions get tough on jobs

## Ian Trayner reports from Bonn on growing discontent among German workers over economic austerity

**G**ERMANY'S trade union movement attacked the government's approach to the single European currency as unemployment yesterday soared over four million.

German unions have been critical of the government's approach to the single European currency as unemployment yesterday soared over four million.

The high and persistent jobless rate of almost 11 per cent coincided with third quarter growth figures of 2.4 per cent, mainly due to strong export performance.

Ms Engelen-Kefer said: "We need EMU. But it depends how it is shaped. The cost-cutting should not mean that you take money out of the pockets of the little man.

# Agents blamed for sales woes

Roger Cowie

**W**HEN Lord (David) Wolfson took over from Lord (Leonard) Wolfson, as only the third person to run the mail order empire of Great Universal Stores, there was a whiff of change in the air but only a faint one: it seemed a fair bet that much would continue as before.

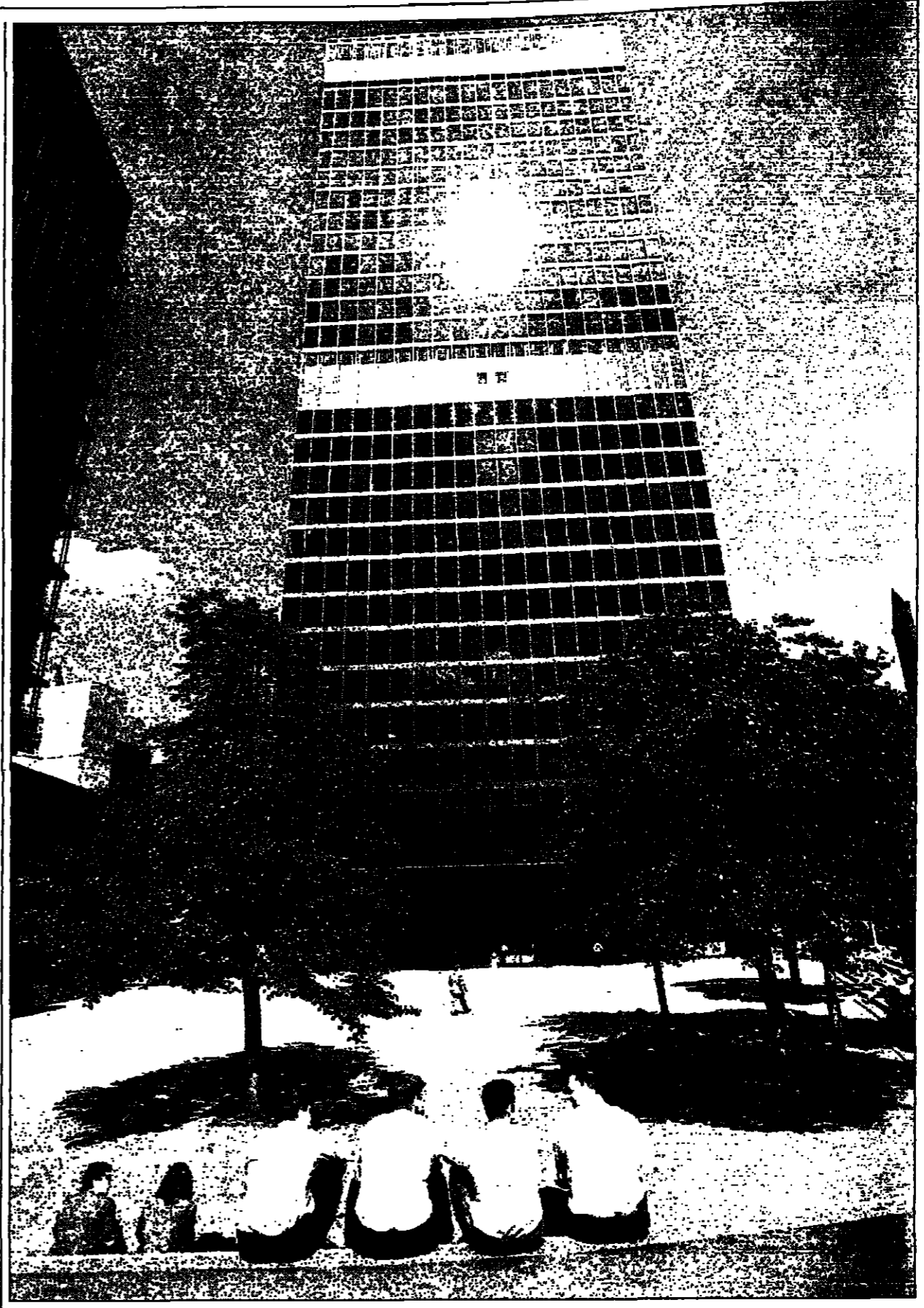
However, the real problem remains, that the era of the agent is over as surely in mail order as it is in cold war espionage. The future, everybody seems agreed, is in direct mail rather than catalogues.

day that GUS was keen to get into direct mail and would possibly do so through acquisitions, as well as expanding its small Marshall Ward Direct operation. The trouble is, he has been beaten to Racing Green and Innovations by Burton, and the only other business clearly available is Freeman's, the mail-order operation now owned by Sears, which is looking for £500 million for it.

GUS			
Stock market value	£5.65bn		
Shares price	651p	↓ 24%	
Workforce	33,000		
	£	% change	
Sales	£1,211m		
Pre-tax profit	£235m		
Earnings per share	15.5p		
Dividend	5.5p	↓ 40	

Struggling mail order Cumulative % increase	
Total	Forecast
Direct	
Volume	



Tower of strength... Commercial Union, in the Square Mile, is the UK's largest composite insurer

# When a merger means that the market's machismo is assured

Bid fever is running high in the insurance business, say **Pauline Springett** and **Paul Murphy**. But who really profits?

**B**id fever ran unabated across the UK's big insurers yesterday, sending share prices soaring in this usually dozy sector.

The main trigger was the "on-off" deal between Commercial Union, the UK's biggest composite insurer, and BAT, the tobacco and financial services combine.

about whether the cost savings boasted by merging insurers actually materialise. "Mergers provide a good excuse for hacking away at the expense base, but there is limited evidence that if you double in size you improve your underwriting performance," he said.

## News in brief

**Ex-Brent man found guilty**  
SENTENCE is expected today on Donald Anderson, the former Brent Walker executive found guilty yesterday of masterminding a cover-up to hide years of phoney profits at the leisure group.

## Barings 'star' loses out

**M**ARY WALZ, the banker who claimed £500,000 after she was sacked by the collapsed merchant bank Barings, has lost her legal battle for the bonus.

## Jobs boost for Wales

**S**ONY was last night believed to be finalising a major inward investment agreement that could lead to hundreds of new jobs in South Wales.

## Mercury makes the switch

**T**HE Mercury telephone company has struck an agreement with BT enabling customers to keep their old phone number when connecting directly to Mercury.

## Jobs boost for Wales

Suehiro Nakamura, president of the Sony Display Company, Tokyo and Sony's new top man in Wales, Shigenori Takahashi, were due to meet officials from the Welsh Office and the Welsh Development Agency.

# Xavier breaks duck on Severn

Chris Hawkes

**X**AVIER AIZPURU who, believe it or not, talks with an authentic Gloucestershire burr, rode the first winner of his career when making all the running on Severn in the Paley Street Handicap Hurdle at Windsor yesterday.

Aizpuru was brought up at Bourton On The Hill, where his father, a Basque, runs the Horse And Groom public house.

As a nine-year-old, Aizpuru went knocking on David Nicholson's door asking to help out in the yard during his school holidays and things progressed from there.

Now aged 21, he is attached to Robin Dickinson, whose gallops are used by John Allen, the trainer of Severn Gale.

Allen, based near Alcester, bought the mare out of a Stratford seller recently for 7,000 gns.

"As she is by Strong Gale I thought she was cheap, for whatever she does on a racecourse she'll be ideal to breed from," said Allen who, considering this was his first winner for four years, exhibited what some might regard as reckless confidence in regarding Severn Gale as a good thing.

"I knew she would win and had a good bet at 10's and 8-1," said Allen, who has only four horses.

Mick Channon was another to pull on his betting boots and got some of his Barbados holiday money when Dene-gold ran out a comfortable winner of the first division of the Spital Wood Hurdle.

Dene-gold was badly handicapped and drew a blank last Flat season, but travelled well



Steam heat... Flow, winner of yesterday's Woodside Chase at Windsor, and her stablemate Rallyedward (foreground) get a post-race wash-down. PHOTO: FRANK BARON

enough throughout this race to suggest he can score again in similar company.

Night City, trained by Lady Herries, opened favourite on the market and finished fourth. He was produced in the straight by Jamie Osborne, but ran around approaching the Spital Wood Hurdle.

Brendan Powell earned his money when conjuring a

renewed effort from Flow to please favourite-backers in the Woodside Novice Chase. This was a big price for an Akehurst winner at a "gate" track, but as the trainer pointed out, "all my horses have been a bit off with a lung infection."

Proton stayed a mile and a half well on the Flat and his greater stamina saw off the gambled-on Desert Green, who appeared to be cantering two out.

Just about the easiest winner of the afternoon was Zeredar, who took the four-runner Wraybury Handicap Chase hard held despite hitting the third-last very hard.

Zeredar was the first leg of a training double for Kim Bailey, who immediately followed up with Act of Parliament, well ridden by Rupert Wakley, in the Dorsey Amateur Riders' Chase.

Balley reported Alderbrook

none the worse for a fruitless journey to Newcastle last Saturday when withdrawn on account of the ground.

"I'm very worried about the ground and unless we get some serious rain I can see him missing the Christmas Hurdle at Kempton," said Bailey, mindful of the fact that Alderbrook is still an entire and has to be looked after with a career as a stallion in mind.

Simon Parke, who has battled to recover from cancer, yesterday reached the semi-finals of a Super Series squash tournament, the Mahindra International, writes Richard Jago in *Bombay*. The former England No. 1 from Nottingham won 15-11, 15-7, 15-7, 15-4 against the Pakistani Zuhair Jahan to reach the last four. Parke today plays Peter Nicol, the title-holder from Scotland, who came from a game and 14-15 down to outlast Rgyrry's Ahmed Barada 13-15, 17-15, 15-8, 15-9.

For the second successive day Parke appeared to tire and then come back with a mixture of mental toughness and creative stroke play. When Parke let slip leads of 12-9 and 13-11 in the second game and quickly went out of contention in the third, it seemed his courageous progress would end. "But I think the hard match I had the day before helped me," he said.

## Sport in brief

### Parke fights his way into semi-finals

**S**IMON PARKE, who has battled to recover from cancer, yesterday reached the semi-finals of a Super Series squash tournament, the Mahindra International, writes Richard Jago in *Bombay*. The former England No. 1 from Nottingham won 15-11, 15-7, 15-7, 15-4 against the Pakistani Zuhair Jahan to reach the last four. Parke today plays Peter Nicol, the title-holder from Scotland, who came from a game and 14-15 down to outlast Rgyrry's Ahmed Barada 13-15, 17-15, 15-8, 15-9.

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### Lightweight post for Bowden

**T**HE Amateur Rowing Association has appointed Sean Bowden as national coach to "produce two top lightweight boats for the Sydney Olympics", according to David Tanner, the international rowing manager, writes Christopher Dodd.

Bowden, who coached Nottingham County from 1989-94 and produced British silver and gold medal lightweight eights and two wins for Cambridge in the Boat Race, will take charge of the lightweight squad under Britain's men's chief coach Jürgen Grotler.

### Pot Black back on screen

**E**IGHT former winners of Pot Black, the BBC 2 snooker series, will compete in a Seniors Pot Black, sponsored by Henderson Investors, at Goodwood House, Sussex, on January 11, writes *Chris Eversley*. It will be recorded by Trans World International for later BBC transmission.

### Olympics may drop soccer

**L**ENNART JOHANSSON, president of Uefa, said yesterday that soccer may be dropped from the Sydney Games in 2000, partly because of a perceived snub to the sport from the American organisers of this year's Olympics. No matches were played in Atlanta, the host city.

### Schecter to race in England

**T**OBY SCHECKTER, the 19-year-old son of the 1979 Formula One world champion Jody, will start racing in England next season at the wheel of a Vauxhall Junior single-seater in the series supporting the British touring car championship, writes Alan Hayry. Schecter, whose father was the last driver to win the world championship in a Ferrari, finished third in this year's Formula Ford series in South Africa.

### Kummu freed for final

**I**N AN about-turn of amazing proportions even for British ice hockey, the Superleague yesterday announced that Ay's Ryan Kummu will play in tomorrow's H Cup final despite having already missed two games under a six-match ban imposed last week, writes *Vic Batchelder*. He will serve the remainder of his suspension after the final, beginning with Ay's home game on Sunday against Bracknell.

## Hereford runners and riders with form guide

12.40 South Moleton	2.10 Pool The Power
1.10 Star Of Italy	2.40 Storm
1.40 Harry (oh)	2.10 Rugged Moleton
	2.40 Sunday Ventures

12.40 WINDSOR NOVICE HURDLE 2m 11yo Gs £2,500  
 12.40 WINDSOR NOVICE HURDLE 2m 11yo Gs £2,500  
 12.40 WINDSOR NOVICE HURDLE 2m 11yo Gs £2,500

418 202-BU ZATTONA (18) M Midweek 5-10-12	D Bridgwater
419 187-0 KENNING (19) M Midweek 5-10-12	M Shrewsbury
420 194-5 KENNING (19) M Midweek 5-10-12	M Shrewsbury
421 194-5 KENNING (19) M Midweek 5-10-12	M Shrewsbury

1.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500
1.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500
1.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500

3.10 JONES GARDEN NOVICE HURDLE 2m 11yo Gs £2,500
3.10 JONES GARDEN NOVICE HURDLE 2m 11yo Gs £2,500
3.10 JONES GARDEN NOVICE HURDLE 2m 11yo Gs £2,500

2.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500
2.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500
2.10 SNEYD'S FILLING FOR PINE MANICAP CHASE 2m 11yo Gs £2,500

3.40 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500
3.40 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500
3.40 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500

## Results

<b>12.40 SOUTH MOLETON</b>	1-10 Star Of Italy (10)
<b>1.10 STAR OF ITALY</b>	1-10 Star Of Italy (10)
<b>1.40 HARRY (OH)</b>	1-10 Star Of Italy (10)

<b>2.10 POOL THE POWER</b>	2-10 Pool The Power (10)
<b>2.40 STORM</b>	2-10 Pool The Power (10)
<b>2.10 RUGGED MOLETON</b>	2-10 Pool The Power (10)

## Market Rasen

1.00 CONSTANT SECURITY JUVENILE HURDLE 2m 11yo Gs £2,500
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1.30 CALDWELL'S NOVICE HURDLE 2m 11yo Gs £2,500
1.30 CALDWELL'S NOVICE HURDLE 2m 11yo Gs £2,500

2.00 ALEXANDER MOTORS HURDLE 2m 11yo Gs £2,500
2.00 ALEXANDER MOTORS HURDLE 2m 11yo Gs £2,500
2.00 ALEXANDER MOTORS HURDLE 2m 11yo Gs £2,500

2.30 CLUNTON HURDLE 2m 11yo Gs £2,500
2.30 CLUNTON HURDLE 2m 11yo Gs £2,500
2.30 CLUNTON HURDLE 2m 11yo Gs £2,500

3.00 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500
3.00 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500
3.00 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500

## Exeter

1.20 THREE LEADER	2.20 RALLYEN BOY
1.20 THREE LEADER	2.20 RALLYEN BOY
1.20 THREE LEADER	2.20 RALLYEN BOY

1.50 TEMPLER'S NOVICE HURDLE 2m 11yo Gs £2,500
1.50 TEMPLER'S NOVICE HURDLE 2m 11yo Gs £2,500
1.50 TEMPLER'S NOVICE HURDLE 2m 11yo Gs £2,500

2.20 SNEWMAN'S MEADOW STANDARD OPEN HURDLE 2m 11yo Gs £2,500
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## Timeform's annual delight

**T**HE jumps season may be well under way, but it's not too late to profit from the pages of Timeform's "Chasers & Hurdlers", the definitive review of the 1995/96 campaign, writes Ron Cox.

Lengthy essays on the top horses, with perceptive comments such as the one concerning the recent Murphy's Gold Cup winner Challenger de Lac "will win a good handicap next season" will keep the serious bettor entertained, in profit and entertained.

Chasers & Hurdlers, plus

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that the assured

Jobs back for winter

Soccer

# Spurs clinch Iversen deal for £2.6m

Stephen Bradford

**L**ESS than 24 hours after playing a part in one of the European Cup's greatest upsets, the Rosenborg striker Steffen Iversen completed his move to Tottenham for £2.6 million.



Iversen... striking addition

It was the culmination of an eight-month surveillance operation by Gerry Francis. "We have spent a lot of time and done a lot of work to bring Steffen here. He will be in the squad against Coventry [tomorrow] and I'm hopeful this will be a turning point."

Iversen had planned to take a Caribbean holiday before starting his White Hart Lane career but, because of Spurs' injury crisis, the 6ft 2in Norwegian Under-21 player is being pressed straight into action.

He said he chose Spurs ahead of a queue of clubs because "my friend Espen Baardsen is already with the club as their reserve goalkeeper. I'm sure he will help me settle in but I don't see any real problems with that."

It was a day of double delight for Francis because the goalkeeper Ian Walker signed a new five-year contract with the club.

Birmingham's Trevor Francis has also been on Rosenborg's trail. He was at the San Siro and is thought to be interested in Harald Brattbakk, who hit the first goal against Milan and made the second.

## Neal's days look numbered as City approve £10m spend

**T**HE writing would appear to be on the wall for the Manchester City caretaker manager Phil Neal, following yesterday's annual general meeting at the beleaguered First Division club.

At first the City chairman Francis Lee claimed he was anxious to avoid speculation about the post. "I can't comment on the position, otherwise I would be linked with 36 managers as I was last time and the position would be intolerable for the man looking after the team."

When questioned about the investment of new funds, however, he indicated that Neal's time was about to run out after one win in six games. "We will say to the manager that comes along that there will be a fund of £10 million to spend on players," Lee said.



A good night's work... United's scorers Eric Cantona and Ryan Giggs celebrate after Wednesday night's victory in a freezing Vienna

# Reds in the black and with a spring in their step

David Lacey on the win in Vienna that gives Manchester United breathing space and the chance to buy a central striker

**S**UDDENLY the idea of Manchester United winning the European Cup, or at least reaching the final, is no longer confined to the field of dreams. The thought is prompted not so much by Wednesday's 2-0 victory over a spavined Rapid Vienna side in an igloo of an Ernst Happel Stadium as by its consequences.

By finishing runners-up in Group C of the qualifying competition United have not only become the first English side in 11 years to reach the last eight of the tournament but now find themselves in a more negotiable half of the quarter-final draw. The word "easier" does not apply here but it could have been worse.

when they heard the news from up the autostrada. The European Cup holders are now even more strongly fancied to retain their title but the plot is far from over.

The old conventions no longer apply. This season's Champions League has produced 20 home victories and 21 away wins. United have managed to get through despite losing to Fenerbahce and Juventus at Old Trafford.

**Manchester Utd v Porto**  
THE last time these clubs met in Europe was in the 1977-78 Cup-winners' Cup when Porto won the opening game 4-0 and United all but tumbled the ground back at Old Trafford, winning 5-2.

### Rosenborg v Juventus

ROSENBERG's 2-1 win in Milan confirmed how unwise it was to underestimate the Norwegian champions and probably made Blackburn Rovers feel a little better after last season's experience in Trondheim.

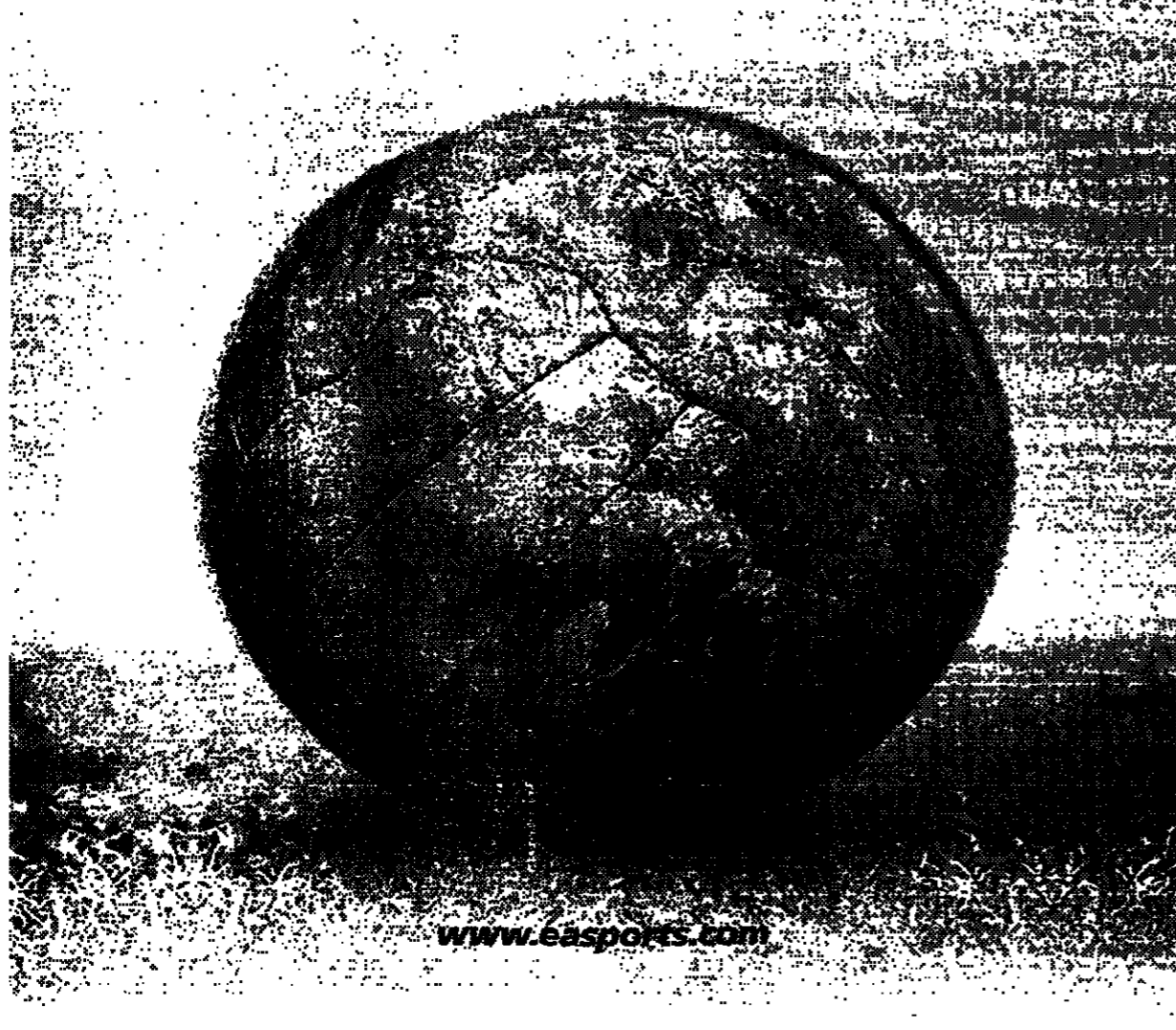
### Ajax v Atletico Madrid

EVEN in a period of transition Ajax are still strongly fancied to reach a third successive final, as they did in the early Seventies.

### Borussia Dortmund v Auxerre

WELL beaten by Ajax in last season's quarter-finals, Dortmund now have Chapuisat fully fit and in his old scoring form.

# Get out of the stands and onto the pitch...



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## Liverpool set up Ajax-style school

Mark Redding

**I**T WAS out with the old and in with the new on Merseyside yesterday as Liverpool announced an academy of youth and Everton said they were ready to quit Goodison Park.

The Dutch champions Ajax and the French champions Auxerre who have built their success on formidable youth schemes. The red academy will be run by Liverpool's director of youth Steve Heighway.

where they have been since they walked out of Anfield in 1892. They have their eye on land on the outskirts of the city next to the M57.

## New PC wanted for giant-killing

**FA CUP: Trevor Haylett** on the curious case of Sudbury's captain Nicky Smith who must put his Suffolk constabulary training to one side tomorrow to try to eliminate Brentford

**T**HERE is nothing quite like the FA Cup for filling the head with thoughts of what might just be. And sure enough, as Sudbury Town look to send Brentford to the east coast, Brighton, their captain Nicky Smith confesses that his mind has been awfully all week — although in his case it has nothing to do with the giant-killing dream abroad in this Suffolk market town some 20 miles west of Ipswich.

stopping spinning with it all. But it has taken me some time to get this far and I'm determined not to mess things up. I've not really had time to think about the Brentford tie but that could work to my advantage."

who are also returning "home", the authorities having ruled that the game be switched to Layer Road from Sudbury's Priory Stadium.

where his first manager was Bobby Moore. He recalls the calming, assured way the captain is going to be. "It was Smith's nerveless penalty after extra-time at the Goldstone which propelled Sudbury to these unprecedented heights and ruined Jimmy Case's hopes of avoiding the sack before Christmas."



Smith... man in uniform

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# SportsGuardian

## GRAND SLAM CUP



Smile on the face of the Tiger Tim... the British No. 1 happily produces a banker of a backhand on his way to a straight-sets victory over MaliVai Washington

# Two steps from £1 million

## Becker next as Henman doubles his money again

Stephen Bierley in Munich

**A**NOTHER day, another 431,250 dollars. Two wins within three days here at the Grand Slam Cup have amazingly doubled Tim Henman's earnings for the entire year. And he was supposed to be in Munich as a non-playing guest.

Now, after yesterday's decisive 7-6, 6-3 quarter-final victory over MaliVai Washington, this year's beaten Wimbledon finalist, Britain's No. 1 clashes swords with Boris Becker, king of Bavaria, in tomorrow's semi-finals.

Should he beat Becker, and in this tournament of dollar fantasy anything can seem possible, and go on to win Sunday's final, then in the space of six short days Hen-

man could fly home with a million pounds in his pocket.

"You can't get any better than to play Boris in his home town except perhaps in the Wimbledon final on Centre Court — and that is pretty much his home too," said Henman with a grin.

He had previously met Washington only once, down by the Trent in Nottingham. Here the River Isar glinting under the winter sun recalled that English summer day when Henman's 6-3, 7-5 win blew up a gust of recognition which, for both men, increased to a mighty blast of public attention a few weeks later in SW19.

Here in the Bavarian capital the prize was very much the money rather than the glory. It was something that was bound to enter both of their minds and did. "Obvi-

## Eric hums to the music of a nun's chorus



Vincent Hanna

**T**HINGS were a bit tense on Wednesday night. The family was consumed with foreboding. I tried a little joke: "John Major asked Alex Ferguson to lunch — to get to know someone who really wants to be in Europe."

My wife stared frostily: "Your daughter Sinead says she's applied to be a Carmelite nun. What are you going to do about it?"

"Pray," I replied, "that he plays well tonight."

It is some months since I have written about Eric and his football team. My therapist assures me that I am over the worst now.

It is curious how much Cantona remains a talisman for Manchester United, even in these hard times. His uncertain and moody play is reflected in all the team does. He falls, they fall. The city is baffled and depressed.

For three years he has dominated much of our lives. Cantona has imposed his image on films, TV adverts and billboards. We have been bemused by devils, raindrops, sardines, doggerel-verse and a "philosophy" which proves that anything sounds profound if said with a French accent.

We are fascinated and infuriated by a man whose heroes are the poet Rimbaud and the anarchist Ferré, whose grandmother fought the Falangists in Catalonia, who once called his national team manager a shit-bag and missed a day's training because his dog had died.

Cantona came to Vienna on Wednesday night with one goal in 13 games, out of touch and out of sorts, as much a puzzle in adversity as in glory. The Rapid game was vital, not just for Manchester United but for British football, which has made no impression in the European Cup for a decade.

Cantona touched the ball 50 times during the match, 33 in the first half, 17 in the second. I rated eight of those contacts poor. In three cases he beat one man, tried to take on another and lost the ball. On 18 occasions his touch was positive and effective.

But eight times I caught a glimpse of the old genius. Like

his left-footed cross from the right touchline to set up a simple, and muffed, chance for Solskjaer.

That superb first goal with Giggs weaving a left/right diagonal; the controlled hold and turn by Cantona, drawing in Ivanov, before stroking the ball into the path of Giggs coming at a reverse angle. These were excellent professional touches — as was his header in the 65th minute which hit the post; and his slide beyond the defence to meet Beckham's perfect pass for the second goal.

But I felt that familiar tingle with one move after 39 minutes: Cantona on the right touchline at half-way, a mazy run across the field pulls defenders with him, an exchange with Keane who feeds Beckham on the right. Cantona sprints 40 yards, arriving at the far post to meet Beckham's long cross on the volley. I was mesmerised by the skill and vision but still wondered whether a year ago he might have turned it into the goal of the season.

"ERIC has lost confidence," said Alex Fynn, who helped write Cantona on Cantona, published last month. "Things he did instinctively he now thinks about and they don't work so well."

Cantona insecure? An oxymoron, I thought. But that is what people who know him say: that he is a man in the process of changing identity. He still smarts over his rejection by the French national team, both in Euro 96 and since.

"Eric wants recognition on the international stage, and being ignored is a massive blow to his self-esteem," a friend said. "He needs to be arrogant, to be secure in his identity and his power," said another. "He feels cheated of his chance for greatness."

Nor did the drubbing United took from Juventus in Turin, where Ferguson played him out of position, improve his mood.

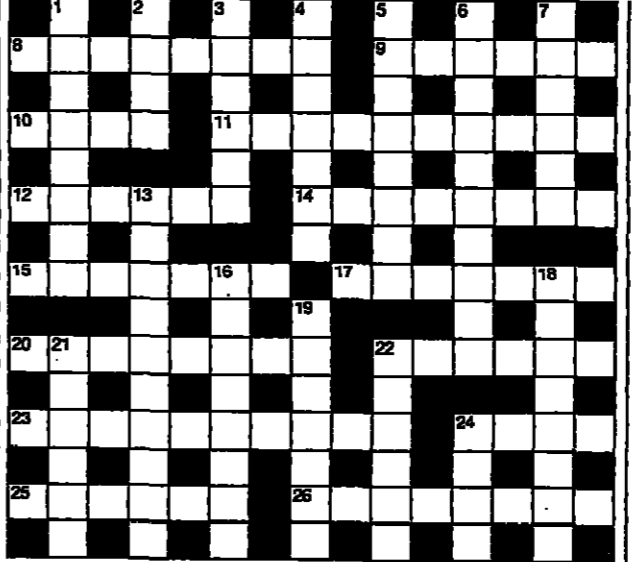
Cantona, I am told, is basically a happy man. He has a devoted family and lives in a community that worships him. He knows that his future is secure at Old Trafford. He lacks neither money nor interesting things to do. But it is not enough for him, not for the rest of us either.

Well, maybe on Wednesday night in Vienna that arrogant spark was rekindled. Perhaps, now, he will get one last chance for greatness.

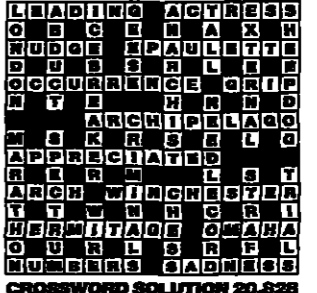
I hope so — because I think Sinead is serious about the convent.

## Guardian Crossword No 20,829

Set by Fidelio



- Across**
- 8 Lawyers have it, individual voice of the male (8)
  - 9 Solution's a Queen for New South Wales (6)
  - 10 Lower part of pin (4)
  - 11 Prodding the body causes pimples (5,5)
  - 12 Old cubic carat, a fancy silver alloy (6)
  - 14 One figures it's the ready follower (8)
  - 15 Do not start to outline when drawing a circle (7)
  - 17 Crossing exercises left one able (7)
  - 20 Keep Brummel initially to scale (6)
  - 22 Pretty artist and the king (6)
  - 23 Mainly deep mysteries (10)
  - 24 Powder the German statesman (4)
- Down**
- 1 What's left for a graduate with long arms (8)
  - 2 It turns up very loudly, causing a row (4)
  - 3 Fish's midnight entry to fifth (6)
  - 4 Ambassador runs on lines for colony (7)
  - 5 Pain for an ugly person (4-4)
  - 6 Palms do wave above first sacred singer (10)
  - 7 James, the outlaw, one hears is a coward (6)
  - 13 Angel's resting place? (3,7)
  - 16 Flora, these are wrong (8)
  - 18 Seth may first turn purple (8)
  - 19 Part of the church dear to the French (7)



CROSSWORD SOLUTION 20,829

## Ruddles County Riddles.

**No. 13. Pub Challenge.**

For Peter Barasworthy it was a dream come true. He had won the 1996 Hertfordshire Pub Quiz Championship after six gruelling rounds.

But his victory was by no means final. He had yet to claim the prize.

He was placed in the bar of the Queen's Head Pub in Westcott. There were two doors, each leading to different rooms. Behind one of the doors, lay the prize, been instructed to lie, but Peter did not know which.

Peter stepped forward, asked one of the men a question, and upon hearing his answer confidently strode through door 1 to claim his voucher.

Peter is of course too busy to tell us how he worked out which door to choose. Do you know how he worked it out?

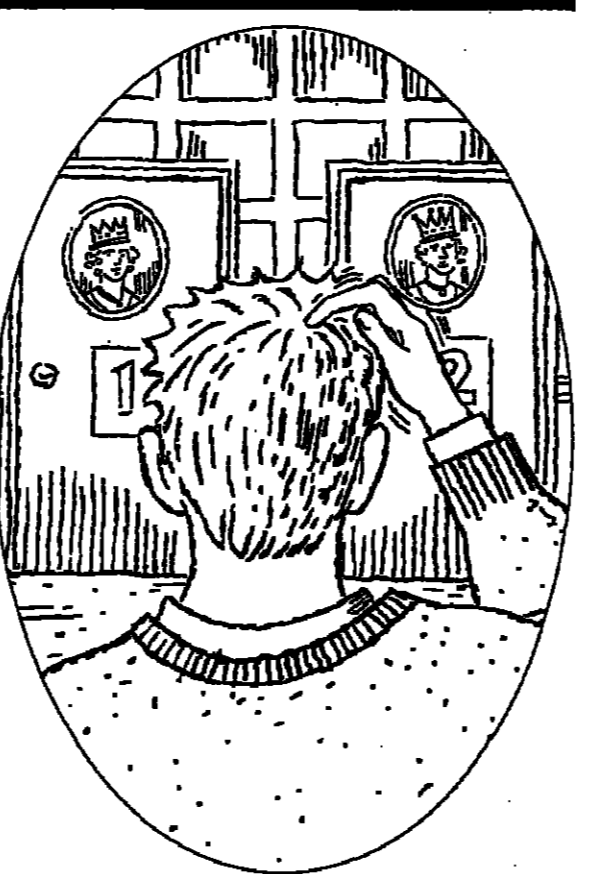


Illustration of a man, likely related to the Riddles County Riddles section.

صكرا من الاميل

Women on top

Labour sta

Inside